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ABSTRACT

Between July 1981 and November 1982, the United States experienced the worst economic recession of the post-World War II period. In response, Congress in March 1983 enacted the Emergency Jobs Appropriations Act, whose objectives were: (1) to provide productive employment for jobless Americans; (2) to hasten or initiate federal projects and construction of lasting value; and (3) to provide humanitarian assistance to the indigent. The study detailed in this report reviewed all available data on the implementation of the Act from its enactment through June 1985. Methods included a review of funded projects in six geographical areas of the United States and a questionnaire survey of a random sample of projects from 10 of the 77 programs funded under the Act. It was found that, while the act was implemented quickly, it was neither effective nor timely in relieving the high unemployment caused by the recession. Funds were spent slowly and few jobs were created when most needed in the economy. The unemployed did not benefit directly and efforts to provide jobs for the unemployed were varied. Benefits other than employment were provided with the funds spent. It is concluded that a job creation program designed to alleviate unemployment effects of a recession is most effective under the following circumstances: (1) legislation is enacted as soon as possible after the recession is identified; (2) funds are spent quickly and people are hired when the economy needs new jobs the most; and (3) funds are spent before the economy recovers. Extensive appendices include statistical data on characteristics and expenditures for the 77 funded programs, explanations of methodology, and the study questionnaires. (LHW)

UD

United States General Accounting Office 4-13-87

GAO

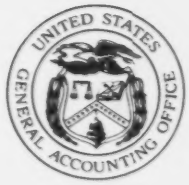
Report to the Chairman, Subcommittee on Employment and Productivity, Committee on Labor and Human Resources, United States Senate

December 1986

EMERGENCY JOBS ACT OF 1983

Funds Spent Slowly, Few Jobs Created

ED280932



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GAO

United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-205627

December 31, 1986

The Honorable Dan Quayle
Chairman, Subcommittee on
Employment and Productivity
Committee on Labor and
Human Resources
United States Senate

Dear Mr. Chairman:

This is the final report that we will issue in response to your request to monitor and report on the implementation of the Emergency Jobs Appropriations Act of 1983. The first six reports provided information on projects that received funds made available by the act in six different areas of the United States.

This report presents an overview of all funds spent through June 1985 and an analysis of the economic effects of the act. It also includes more detailed information on the use of the act's funds by a sample of projects in 10 selected programs, as well as information from our reports on the six areas. The report also contains recommendations to the Congress to improve the effectiveness and congressional oversight of any similar legislation in the future.

We obtained official comments from the Office of Management and Budget on the matters discussed in this report and considered those comments in its preparation.

As arranged with your office, unless its contents are publicly announced earlier, we plan no further distribution of this report until 20 days from its issue date. At that time, we will send copies to the House and Senate Committees on Appropriations; interested congressional committees and members; the Director, Office of Management and Budget; and other interested parties. We will also make copies available to others who request them.

Sincerely yours,

Richard L. Fogel

Richard L. Fogel
Assistant Comptroller General

Executive Summary

Purpose

Between July 1981 and November 1982, the United States experienced the worst economic recession of the post-World War II period. The unemployment rate reached a record high of 10.7 percent, and nearly 12 million Americans were unemployed. To help stimulate economic recovery and provide increased employment opportunities for jobless Americans, the Congress made available over $9 billion to 77 federal programs and activities under the Emergency Jobs Appropriations Act (Public Law 98-8), enacted March 24, 1983. (See pp. 10 to 16.)

GAO, in response to a request from the chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, monitored the implementation of the act and analyzed how effective and timely it was in providing jobs in the economy. Information was obtained on (1) when funds were spent; (2) when and how many people were employed; (3) how many unemployed persons were provided jobs; (4) what efforts were made to provide employment to the unemployed; and (5) what benefits, other than employment, were provided. (See pp. 16 to 20.)

Background

The act's objectives were to (1) provide productive employment for jobless Americans, (2) hasten or initiate federal projects and construction of lasting value, and (3) provide humanitarian assistance to the indigent. To the extent practicable, federal agencies, states, and political subdivisions of the states receiving the funds made available were to use them in a manner that quickly provided new employment opportunities for individuals unemployed at least 15 of the 26 weeks before passage of the act. Also, funds were to be obligated and disbursed as rapidly as possible. (See pp. 14 to 16.)

To determine how rapidly funds were spent, GAO used expenditure data reported by federal departments and agencies for 55 programs and activities and estimated by the Office of Management and Budget (OMB) for 22 others. Using these data and a macroeconomic model simulating the United States' economy, GAO estimated the employment effects of the act.

Information on (1) the unemployed who were provided jobs, (2) efforts made to provide jobs to the unemployed, and (3) other benefits provided was obtained from projects funded in six geographical areas and a nationwide sample of projects funded by 10 programs. Lacking complete data, GAO did not project this information to the programs surveyed. (See pp. 16 to 20.)

Results in Brief

Compared to past job creation programs enacted in response to recessions, the Emergency Jobs Appropriations Act was enacted relatively quickly following the beginning of the 1981-82 recession. Nevertheless, implementation of the act was not effective and timely in relieving the high unemployment caused by the recession.

Funds were spent slowly, and relatively few jobs were created when most needed in the economy. Also, from its review of projects and available data, GAO found that (1) unemployed persons received a relatively small proportion of the jobs provided, and (2) project officials' efforts to provide employment opportunities to the unemployed ranged from no effort being made to working closely with state employment agencies to locate unemployed persons. Other benefits, such as humanitarian assistance and construction, were provided.

Principal Findings

A job creation program designed to alleviate unemployment effects of a recession is most effective if (1) legislation is enacted as soon as possible after the recession is identified, (2) funds are spent quickly and people are hired when the economy needs new jobs the most, and (3) funds are spent before the economy recovers. (See pp. 24 to 25.)

The act became law 21 months after the beginning of the 1981-82 recession—faster than the average 27 months between the beginning of past recessions and enactment of countercyclical job creation programs. Using the above criteria, the act would have been most effective had funds been spent by June 1984, 19 months into the recovery period. By then, the unemployment rate had returned to levels prevailing before the recession, and the 19 months of rapid growth in real gross national product had begun to moderate. (See p. 25 and pp. 37 to 38.)

Funds Spent Slowly

Most funds were not spent before June 1984. An estimated $3.1 billion, or about 34 percent of the funds made available, had been spent by then, when jobs were most needed in the economy. By June 1985, 2-1/4 years after the act's passage, about $4.5 billion had been spent, and about half the funds remained to be spent.

Expenditure rates among programs and activities varied significantly. For example, funds for public works programs, such as those that build highways or houses, were spent much more slowly than funds for public services, income support, and employment and training programs and activities. (See pp. 26 to 32.)

Few Jobs Added to Economy

GAO estimates that, as of March 1984, 1 year after the act was passed, about 34,000 jobs in the economy were attributable to the act's funds spent by that time. The employment increase attributable to the act peaked at about 35,000 jobs in June 1984, when about 8 million persons were unemployed. These additional jobs represented less than 1 percent of about 5.8 million jobs created by the economy since the act was passed. After June 1984, the additional employment attributable to the act began to decline and had decreased to an estimated 8,000 jobs by June 1985. Had all funds made available by the act been spent within the first year, GAO estimates that the peak employment effect would have been about 131,000 jobs. (See pp. 26 to 27 and pp. 35 to 37.)

Unemployed Did Not Benefit Directly

According to limited data available on projects awarded funds by the 10 programs GAO surveyed, a relatively small percentage of the employment directly created was provided to unemployed persons. By September 1984, no more than 35 percent of the people employed on projects in 8 of the 10 programs had been previously unemployed. (See pp. 53 to 55.)

Efforts to Provide Employment to Unemployed Varied

Some local officials made no effort to provide employment opportunities to the unemployed, while others required that those hired be certified as unemployed by state employment agencies. In 7 of 10 programs GAO surveyed, no more than 20 percent of the project officials indicated making at least a moderate attempt to hire persons unemployed 15 of the 26 weeks before passage of the act. No more than half of the project officials surveyed in seven programs made a moderate or greater attempt to provide employment to unemployed persons, regardless of how long they had been unemployed. (See pp. 55 to 57.)

Other Benefits Provided

Benefits other than employment were provided with the funds spent. Public libraries and roads were constructed; humanitarian assistance, including food and health services, was provided to the indigent; and public buildings and facilities, such as schools and parks, were rehabilitated. (See pp. 57 to 58.)

Recommendations

GAO recommends that the Congress, in considering any future job creation legislation in response to an economic recession, (1) emphasize programs and activities that historically have been able to quickly spend funds or that have projects available for immediate implementation so

that jobs are created when most needed in the economy and (2) require that the responsible departments and agencies obligate and, to the extent practicable, spend funds within a specified time period. (See p. 62.)

Matters for Congressional Consideration

In deliberating any future job creation legislation, the Congress also may want to consider requiring federal departments and agencies to maintain expenditure, employment, and other information needed to evaluate the legislation and improve congressional oversight. (See p. 62.)

Agency Comments

In commenting on a draft of this report (see app. X), OMB stated that countercyclical job creation programs have generic problems and recommended against funding such programs in the future. GAO disagrees and believes its recommendations could enhance the effectiveness of such programs.

OMB said that the recommendation that funds of future job creation programs be spent within a specified time would be difficult to enforce and a prescription for wasteful spending. GAO understands the difficulty of enforcing such a requirement but believes that it, as well as one on obligations, is needed to ensure that jobs are created when needed most in the economy. If programs and activities that can spend funds quickly are selected, the potential for wasteful spending and enforcement difficulties is reduced.

Also, OMB stated that statutory reporting requirements would unduly restrict and burden the administering agencies and slow the rate at which funds are spent. GAO's efforts to obtain information on the Emergency Jobs Act, which did not have a reporting requirement for all federal departments and agencies, showed that comparable data were not available. GAO has suggested that only data essential to overseeing and evaluating the programs should be collected. (See pp. 62 to 64.)

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Abbreviations

CDBG	Community Development Block Grant
DRI	Data Resources, Inc.
FmHA	Farmers Home Administration
GAO	General Accounting Office
GNP	gross national product
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
OMB	Office of Management and Budget

Introduction

Between July 1981 and November 1982, the United States experienced its worst economic recession of the post-World War II period. To help stimulate what was expected to be a slow economic recovery and provide relief from unemployment and other effects of the recession, the Congress passed the Emergency Jobs Appropriations Act (Public Law 98-8) on March 24, 1983. Because of his interest in the employment provided, the chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, asked us to monitor and report on the implementation of the act.

Background

During the post-World War II period, the United States' economy experienced eight recessions. The 1981-82 recession was the worst of these in terms of length and peak unemployment level, as table 1.1 illustrates.

Table 1.1: Recessionary Periods in the Post-World War II Era

Periods of recession[a]		Duration in months	Unemployment rate[b] (percent)
From	To		
November 1948	October 1949	12	7.9
July 1953	May 1954	11	5.9
August 1957	April 1958	9	7.4
April 1960	February 1961	11	6.9
December 1969	November 1970	12	5.9
November 1973	March 1975	17	8.6
January 1980	July 1980	7	7.8
July 1981	November 1982	17	10.7

[a]Source: Bureau of Economic Analysis, Business Conditions Digest (Washington, DC: U.S. Department of Commerce, August 1984).

[b]Source: Bureau of Economic Analysis, Business Statistics, 1979 (Washington, DC: U.S. Department of Commerce, 1980) and Business Statistics, 1984 (Washington, DC: U.S. Department of Commerce, 1985). These are seasonally adjusted unemployment rates at the end of the recessions.

Lasting 17 months, the 1981-82 recession matched the duration of the longest previous postwar recession (November 1973-March 1975). The unemployment rate peaked in November 1982 at 10.7 percent, the highest experienced in the postwar period. The previous record high unemployment rate was 9.0 percent, which occurred in May 1975, just after the end of the 1973-75 recession. During the 1981-82 recession, the number of persons unemployed increased by about 4 million to nearly 12 million, while employment declined by about 1.6 million. The economic climate before and after the Emergency Jobs Act was passed is shown in figure 1.1.

Direct federal intervention using countercyclical job creation programs,[1] such as the Emergency Jobs Act, first occurred during the postwar period in response to the 1960-61 recession. Since that time, such programs have used one of two strategies to increase employment opportunities for the unemployed:

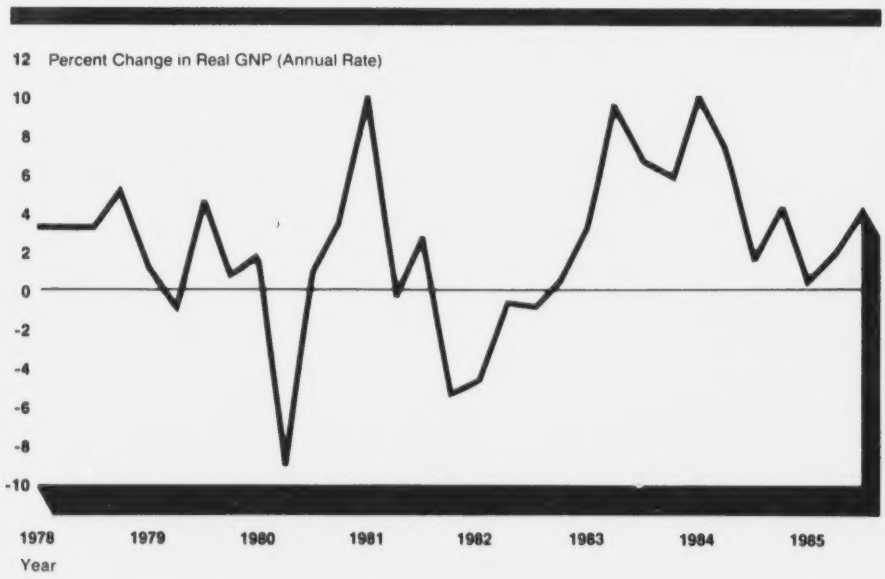
- direct public sector hiring through public service employment programs or
- stimulation of labor demand through funding of public works projects.

For example, a public service employment program, title VI of the Comprehensive Employment and Training Act, was enacted in response to the November 1973-March 1975 recession. Public works employment programs of the postwar period have included the Accelerated Public Works program, a response to the April 1960-February 1961 recession, and two Local Public Works Programs, created in response to the 1973-75 recession. To help alleviate unemployment effects of the 1981-82 recession, the Congress passed the Emergency Jobs Act of 1983, which consisted of both public service and public works programs and activities.

[1]Countercyclical job creation programs are designed to counteract the decline in the economy during a recession by providing increased employment opportunities while there is insufficient demand for labor in private markets.

Figure 1.1: Economic Climate Before and After the Emergency Jobs Act (1978-85)

The 1981-82 recession closely followed a shorter recession in 1980 . . .



and resulted in a peak unemployment rate of 10.7 percent.

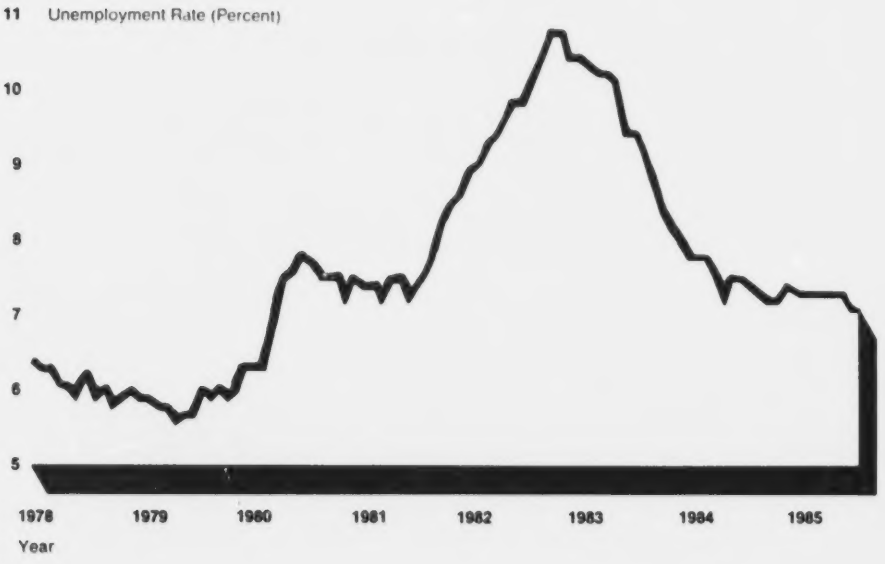
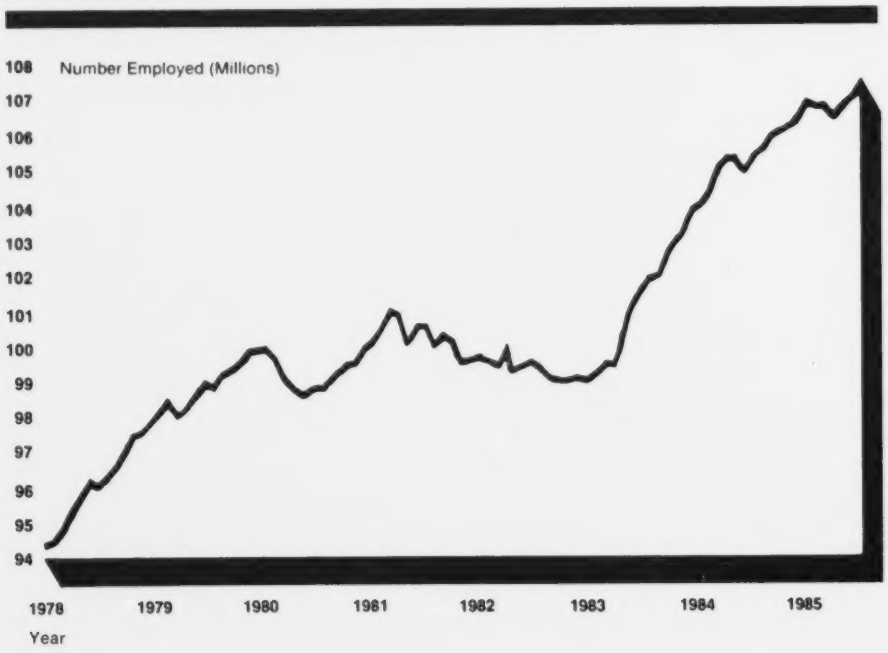
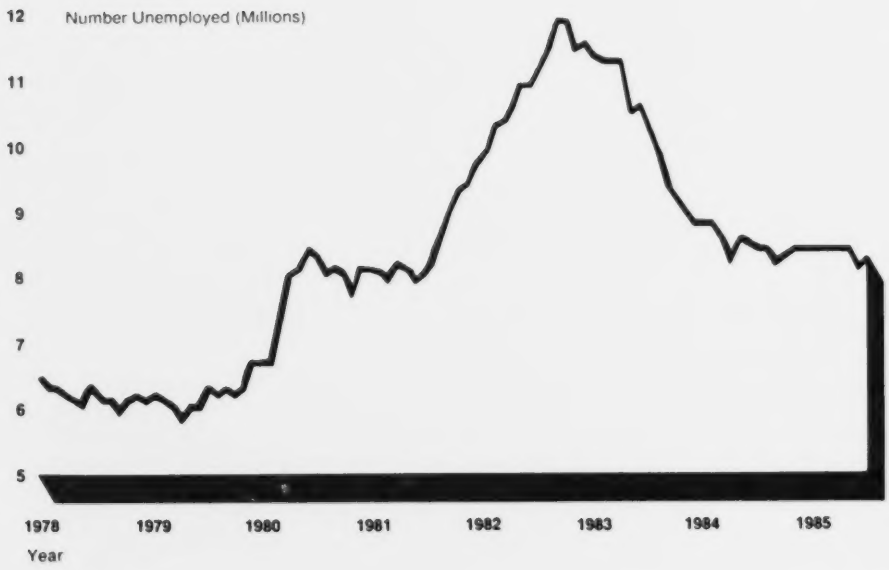


Figure 1.1 Continued

Employment declined by about 1.6 million workers during the 1981-82 recession . . .



when nearly 12 million persons were out of work.



Emergency Jobs Appropriations Act of 1983

In 1982, the nation was faced with record unemployment. About 12 million persons were unemployed and actively looking for work, another 2 million were no longer searching for work, and millions more were working part-time involuntarily because full-time work was unavailable. The annual cost of unemployment compensation benefits had reached $32 billion, and business failures were nearly 50 percent higher than the previous year. Compared with prior recessions, hardships were more severe because people were out of work longer and a smaller percentage of the unemployed were receiving unemployment benefits.

In response to these economic problems, the Congress passed the Emergency Jobs Appropriations Act, which provided emergency appropriations for fiscal year 1983 and subsequent years. Although some members expressed concern that it would only be a restoration of prior years' budget reductions, much of the congressional debate focused on its potential to create jobs. The stated objectives of the act were to (1) provide productive employment for jobless Americans, (2) hasten or initiate federal projects and construction of lasting value to the nation and its citizens, and (3) provide humanitarian assistance to the indigent. Title I of the act, "Meeting Our Economic Problems With Essential and Productive Jobs," made funds available for, among other things, productive employment and humanitarian assistance. Two other titles of the act provided appropriations for other purposes, including creation of a temporary emergency food assistance program for the needy.

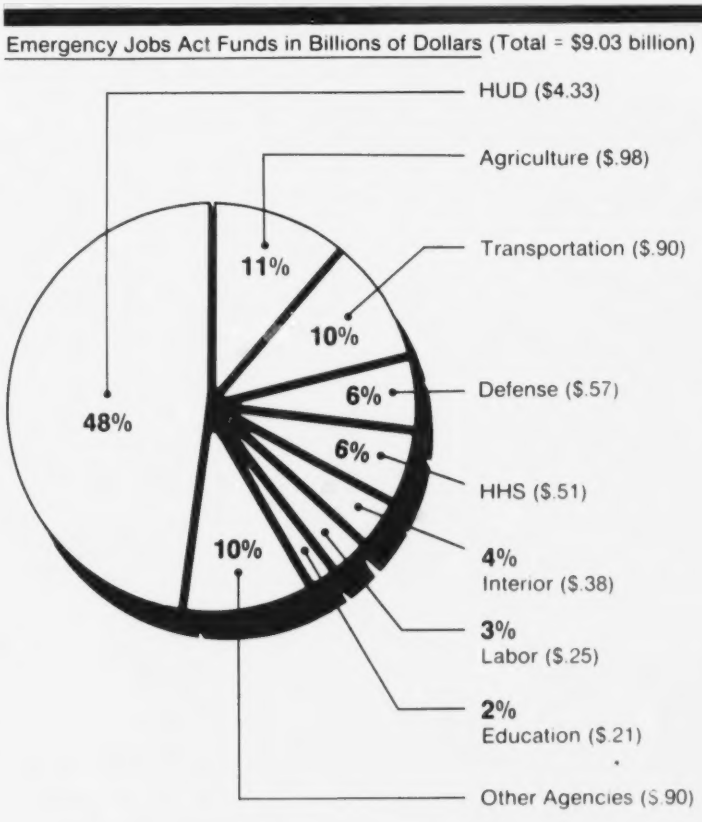
Title I made available about $9 billion to 77 programs and activities administered by 18 federal departments and agencies. This was done by

- providing about $4.6 billion in direct appropriations,
- disapproving the administration's proposed deferral of about $3.6 billion in prior appropriations,
- increasing obligational authorities by about $875 million,
- and redirecting the use of about $1.1 million in previously appropriated funds for other specific purposes.

A list of the 77 programs and activities and information about each, including the funds made available and spent, appears in appendix I.

About $7.8 billion was directed to 55 programs and activities that primarily fund public works, such as construction of buildings and repair and maintenance of facilities. The remaining funds were made available to 22 other programs and activities to provide (1) public services (about $620 million), such as alcohol, drug abuse, and mental health services; (2) income support (about $400 million), including railroad unemployment insurance benefits; and (3) employment and training assistance (about $230 million), such as that provided through summer youth employment programs. The funding allocation by federal departments and agencies is shown in figure 1.2.

Figure 1.2: Allocation of Emergency Jobs Act Funds by Federal Departments and Agencies



Various provisions for the allocation, use, and administration of Emergency Jobs Act funds were specified in title I. For example:

- Sections 101(a) and (b) provided specific formulas based on unemployment information for federal departments and agencies to use in allocating funds. Further, to the extent practicable, states receiving section 101(b) funds were required to spend them in areas of high, long-term unemployment and for purposes that would have the greatest immediate employment impact.
- Section 101(c) required that, to the extent practicable, federal agencies, states, and political subdivisions of the states use the funds in a manner that would quickly provide new employment opportunities for individuals who were unemployed at least 15 of the 26 weeks before passage of the act. Funds were to be obligated and disbursed as rapidly as possible to assist the unemployed and needy.

Objectives, Scope, and Methodology

In response to the chairman's request, our objectives were to determine

- when Emergency Jobs Act funds were spent;
- when and how many people were employed and certain information about them, such as their ethnic background and gender;
- how many of those employed were previously unemployed;
- what efforts were made to provide employment to the unemployed; and
- what benefits, other than employment, were provided.

Also, we analyzed how effective and timely the act was in creating jobs in the economy to help alleviate the unemployment effects of the 1981-82 recession.

Our review of the act covers the period from its enactment date through June 1985. We could not always obtain complete information on the 77 programs and activities to which funds were made available, the specific projects that received funds, or the people that were employed through the act. The Department of Housing and Urban Development (HUD) was the only federal department or agency that was required by the act to report to the appropriate congressional committees; HUD was required to report only on the use of its community development funds.

Our estimates of the funds spent are based on both data reported by federal departments and agencies through June 1985 and estimates from the Office of Management and Budget (OMB). Because of the time that would have been required, we did not independently verify the accuracy of either the reported or the estimated data.

For 55 of the 77 programs and activities, data were reported by federal departments and agencies. We interviewed federal officials about any obvious discrepancies or apparent inaccuracies in the reported data and corrected any errors found. For the remaining 22 programs and activities, our data came from expenditure estimates made by OMB for all 77 programs and activities soon after the act was passed. We conducted statistical tests of OMB's estimates with comparable data reported by federal departments and agencies to determine the reasonableness of using OMB's estimates for these 22 programs and activities. Although OMB's estimates tended to be slightly greater, the statistical tests indicated a close correlation between the two sets of data. For more detailed information on the methodology we used to estimate expenditures, see appendix II.

To estimate the number of jobs created by the act, we used the estimates of the funds spent and a macroeconomic model, developed by Data Resources, Inc. (DRI), that simulates the United States' economy. The resulting estimates of the employment created may be slightly greater than what actually occurred, because we used OMB's expenditure estimates, which may be overestimated, for the 22 programs and activities. Detailed information on the model and the methodology used to derive the estimates of the jobs created is contained in appendix III.

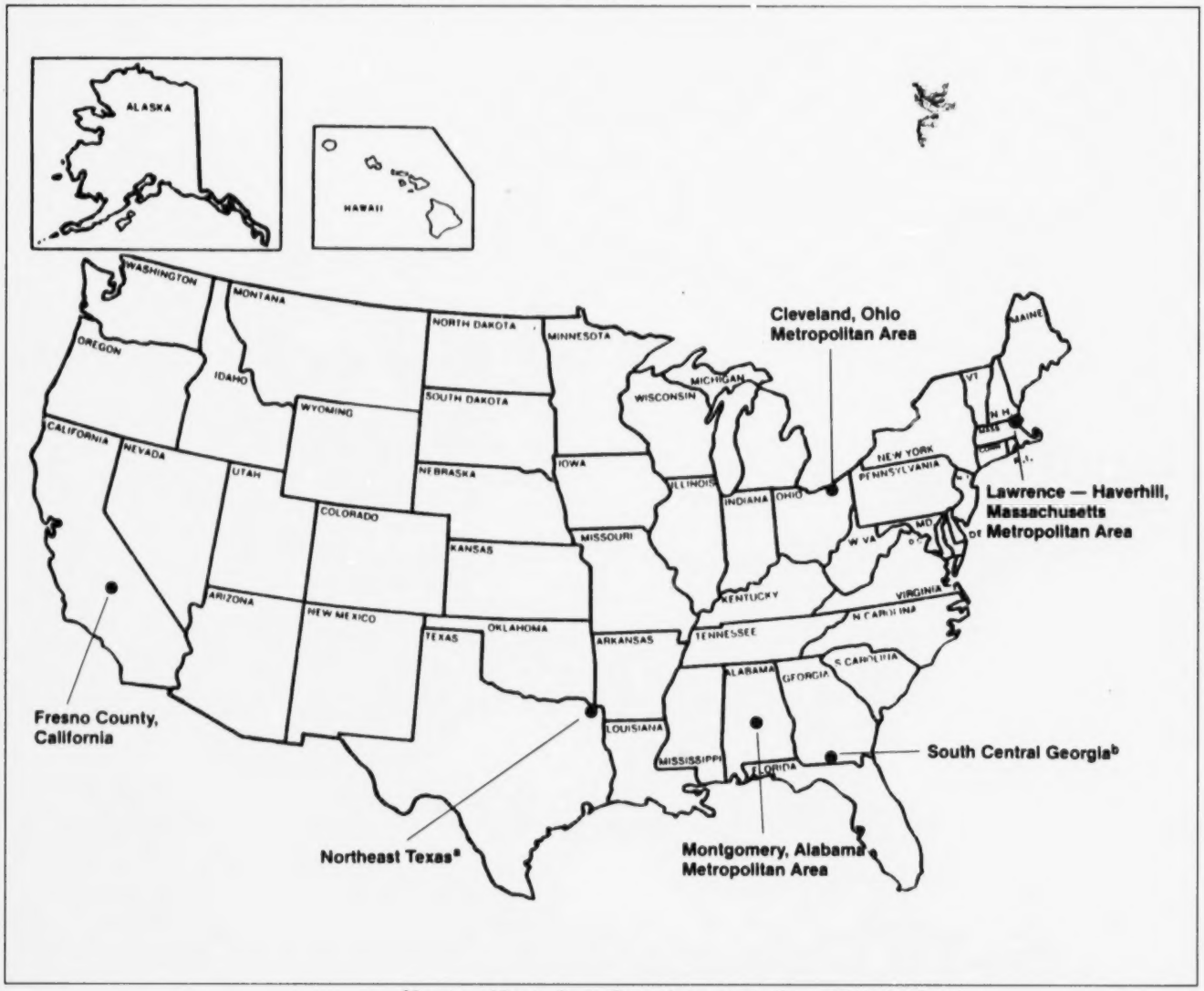
Information on the number and characteristics of people employed, including whether they were previously unemployed, the extent of efforts made to provide jobs to the unemployed, and other benefits of the act is based on data that were available from

- our review of projects awarded funds in six geographical areas of the United States (see figure 1.3) and
- questionnaires we administered to officials of a random sample of projects that received funds from 10 of the 77 programs and activities (see table 1.2).[2]

We discussed the questionnaire results for the 10 programs with the respective federal department and agency officials and included their comments and observations in the report where appropriate. The geographical areas and programs to survey were selected according to criteria developed with the subcommittee chairman's office, which included selecting areas of low and high unemployment and different programs and activities funded by the act.

[2]The reports GAO issued on its review of projects in the six geographical areas are listed in app. IV.

Figure 1.3: Locations of Six Geographical Areas Examined by GAO



[a]Consists of Bowie, Camp, Cass, Marion, Morris, Titus, and Upshur Counties.

[b]Consists of Brooks, Colquitt, Cook, Lowndes, and Tift Counties.

Table 1.2: Ten Programs Funded by the Emergency Jobs Act and Surveyed by GAO Questionnaire

Federal department/agency	Program	Appropriation under act ($000)	Primary project type	Program objectives
Agriculture:				
Farmers Home Administration	Rural Development Insurance Fund	$225,000	Public works	To assist eligible borrowers such as communities and others to provide assistance for basic human amenities, alleviate health hazards, and promote the orderly growth of rural areas by meeting the need for financing of new and improved rural water and waste disposal systems and meeting the National Clean Water Standards and the Safe Drinking Water Act
Defense-Civil:				
Army Corps of Engineers- Civil	Operation and Maintenance	164,000	Public works	To preserve, operate, maintain, and care for existing river and harbor, flood control, and related works; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains
	Construction, General	85,000	Public works	To accelerate programmed ongoing construction of the nation's river and harbor, flood control, shore protection, navigation, recreation, small continuing authority, and related projects, as authorized by law; and to meet emergency requirements and remedy damages and flooding resulting from disastrous storms and rains
Education:				
Office of Educational Research and Improvement	Public Library Construction	50,000	Public works	To construct public libraries in areas of the states that lack the library facilities necessary to provide adequate services or to expand, remodel, and alter existing buildings that would be used for public library services
Health and Human Services:				
Health Resources and Services Administration	Home Health Care Services and Training	5,000	Public service	To encourage the establishment and initial operation of home health programs to provide home health services in areas where such services are inadequate or not readily accessible, and to provide assistance to public and private entities in developing appropriate training programs for paraprofessionals to provide home health services
Housing and Urban Development:				
Community Planning and Development	Community Development Block Grants: Entitlement Cities	777,250	Public works	For worthwhile and necessary projects that will result in productive jobs in communities, including towns and villages, throughout the country through the funding of local community development programs

Federal department/agency	Program	Appropriation under act ($000)	Primary project type	Program objectives
The Interior:				
Bureau of Indian Affairs	Operation of Indian Programs - Indian Services (Housing)	$30,000	Public works	To provide for the construction, repair, and improvement of Indian housing
National Park Service	Operation of the National Park System	25,000	Public works	To accelerate programs of improvement and maintenance of National Park Service existing facilities
Transportation:				
Federal Aviation Administration	Grants-in-Aid for Airports	150,000	Public works	To maintain a safe and efficient nationwide system of public-use airports to meet the present and future needs of civil aeronautics
Urban Mass Transportation Administration	Urban Mass Transportation Fund	132,650	Public works	To accelerate the construction, modernization, and improvement of urban mass transportation systems, so as to increase the mobility of the urban work force, which will result in productive jobs
Total		**$1,643,900**		

Our assessment of the act's effectiveness and timeliness in creating jobs in the economy is based on (1) criteria obtained from a review of the literature on the relevant economic theory and on similar programs enacted in the past and (2) comments provided by academicians and economists.[3] We used DRI's macroeconomic model to generate an estimate of the economic effects of the act and comparable estimates of the effects of alternative job creation scenarios, such as the passage of the act 1 year earlier or more rapid spending of the act's funds. We also compared the results of the act to other past job creation programs legislated in response to economic recessions.

More detailed information on our methodology, including our selection criteria, projection techniques for employment and program expenditure estimates, sampling methodology, and questionnaires used, appears in appendixes II through VIII. We performed our review between April 1983 and August 1986 in accordance with generally accepted government auditing standards, except for verifying the expenditure data provided by federal departments and agencies and the responses to our questionnaire.

[3]Vernon M. Briggs, Jr. of Cornell University, George Johnson of the University of Michigan, John L. Palmer of the Urban Institute, and John Weicher of the American Enterprise Institute for Public Policy Research provided comments on our draft report.

Chapter 2

Few Funds Spent or Jobs Created When Most Needed

A primary objective of the Emergency Jobs Appropriations Act was to provide relief from the high unemployment of the 1981-82 recession. The Congress intended that the funds made available be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed. But our analysis indicates that the implementation of the act was not timely and effective in providing relief from the high unemployment resulting from the recession. We found that:

- Funds were spent slowly. Fifteen months after passage of the act, an estimated 34 percent of the $9 billion made available by the act had been spent. By June 1985, 2-1/4 years after the act was passed, about 50 percent of the funds remained to be spent.
- The rates at which the 77 programs and activities spent funds varied, ranging from some spending 100 percent of their funds in 6 months to others spending no funds in 2-1/4 years. Funds made available to programs and activities that primarily fund public works were spent at a significantly slower rate than those made available to others, such as public service and income support programs and activities.
- Of about $5.2 billion for which allocation data were available, the amount of Emergency Jobs Act funds per unemployed person averaged about $415 nationally. This amount varied significantly by state, from about $263 in Wisconsin to about $1,771 in Alaska. Nine states with unemployment rates among the highest in the country were also among those allocated the least amount relative to the number of unemployed persons.
- Few jobs were created by the act when jobs were most needed in the economy. Less than 1 percent of the jobs created in the economy during the first 15 months of the act were attributable to the expenditure of its funds. If the act had consisted of programs and activities that could have spent $9 billion within 1 year of its enactment, the peak employment effect might have been almost four times that provided by the act in its first year.
- The Emergency Jobs Act was no different from many past public works job creation initiatives with respect to (1) the time that elapsed after the recession began before legislation was enacted and (2) the rate at which funds were spent. Compared with past public service employment programs, however, Emergency Jobs Act funds were spent much more slowly.

Not an Effective Job Creation Program

Most funds were not spent and few jobs were created before June 1984, when the act would have been most effective in creating jobs and when jobs were most needed in the economy. Studies have suggested that a job

creation program, such as the Emergency Jobs Act, enacted in response to a recession is most effective if fully implemented during or shortly after a recessionary period. Although the Congress had considered other job creation legislation during the 17 months of the 1981-82 recession, the Emergency Jobs Act did not become law until 4 months after the recession had ended. By June 1984, 15 months after enactment, an estimated $3.1 billion, or about 34 percent of the $9 billion made available, had been spent. Using the DRI model, we estimated that at that time about 35,000 jobs in the economy were attributable to the Emergency Jobs Act, providing relatively limited additional employment opportunities for the estimated 8 million persons still unemployed. By June 1985, 2-1/4 years after the act was passed and well into the recovery from the recession, about 50 percent of the Emergency Jobs Act funds remained to be spent.

Recession Lasts 17 Months

Matching the length of the longest postwar recession, the 1981-82 recession began in July 1981 and continued for 17 months through November 1982.[1] It was preceded by a period of relatively high unemployment and moderate recovery from the less severe recession that occurred between January and July 1980. From the beginning to the end of the 1981-82 recession, employment declined by about 1.6 million persons and the number of unemployed persons increased by about 4 million to an estimated 11.9 million. As a result, the unemployment rate increased from 7.2 percent at the beginning of the recession to 10.7 percent in November 1982, the highest since World War II.

After November 1982, the economy began a period of recovery with increases in the real gross national product (GNP) through at least June 1985.[2] A relatively high annual real GNP growth rate of over 5.8 percent was maintained from the second quarter of 1983 through the second quarter of 1984. During this period of rapid recovery, unemployment declined to about 8.2 million persons, or about 7.2 percent of the labor force, and employment increased by over 5.8 million. From June 1984 through June 1985, the economy continued to expand with annual real GNP growth averaging about 2.0 percent and the unemployment rate fluctuating around 7.3 percent. While the unemployment rate had returned to levels that existed at the beginning of the 1981-82 recession,

[1]The November 1973-March 1975 recession also lasted 17 months. The National Bureau of Economic Research determines when business cycles begin and end.

[2]Because our study is limited to expenditure data reported through June 1985, our economic analysis extends only through that time.

it remained significantly above the rates prevalent during the 2 years before the 1980 recession.

Congress Responds to Recession

Before the Emergency Jobs Act, other legislation intended to provide relief from the 1981-82 recession was passed by the Congress. For example, in June 1982 the Congress passed legislation, subsequently vetoed by the President, intended to stimulate the housing construction industry and provide additional jobs in the industry by temporarily subsidizing housing mortgage interest rates.[3] Also, in January 1983 the Surface Transportation Assistance Act of 1982 was enacted. It authorized the use of proceeds from a 5-cent per gallon raise in the federal gasoline tax to increase spending for federal highway and mass transit programs. Then, on March 24, 1983, the Emergency Jobs Act was enacted, providing about $9 billion to 18 federal departments and agencies to increase employment opportunities for jobless Americans.

Economic Stimulus Most Effective During or Shortly After a Recession

Studies of past job creation programs enacted in response to recessions, as well as traditional macroeconomic theory, suggest that these programs, often referred to as countercyclical programs, are most effective if

- legislation is enacted soon after a recession is identified;
- funds are spent quickly, while unemployment is high relative to the levels that existed before the recession, so that jobs are provided when most needed in the economy; and
- funds are spent before the economy recovers.[4]

For a countercyclical program to spend its funds for job creation at the most appropriate time, legislation should be enacted before or shortly after the end of the recession. This provides the opportunity for program's funds to be spent and jobs created when most needed in the economy.

[3]Included in another GAO report is an assessment of the employment effects of interest rate subsidies and other programs intended to stimulate the housing sector of the economy. The report (GAO/CED-82-121), published in August 1982, provides an analysis of options for aiding the home building and forest products industries. According to employment estimates made by DRI for this report, the June 1982 legislation to subsidize mortgage interest rates would have provided a peak employment effect of about 60,000 jobs.

[4]For assessments of alternative job creation strategies, see John L. Palmer (ed.), Creating Jobs: Public Employment Programs and Wage Subsidies (Washington, DC: The Brookings Institution, 1978) and Martin Neil Baily (ed.), Workers, Jobs, and Inflation (Washington, DC: The Brookings Institution, 1982).

Also, a job creation program that can spend funds quickly, that is, while unemployment is relatively high, will have the greatest impact on employment. Prompt spending provides additional employment opportunities when unemployment is highest and the demand for labor is insufficient to reduce unemployment. If funds are not spent quickly, the potential relief to the unemployed is delayed and could come at a time when no longer needed.

Countercyclical job creation programs are potentially inflationary, however, if implemented after the economy has recovered.[5] During a recovery period, the economy is creating jobs and reducing the excess supply of labor brought about by an insufficient demand for labor during the recession. As long as an excess supply of labor exists in the economy, additional government spending to create jobs should not compete for labor with private employers and thus not inflate wages. If the excess labor supply in the economy has been fully absorbed, however, funds from job creation programs would compete with spending in private markets for the now-scarce labor resource and cause wages to increase.

Our analysis of these criteria and economic conditions suggests that the most opportune time to have implemented the Emergency Jobs Act and spent most of its funds was between April 1982 and June 1984. The earliest that the Congress could have acted to provide a countercyclical stimulus was April 1982, after the economy experienced 2 consecutive quarters of decline in economic growth.[6] By June 1984, the economy had experienced 19 months of recovery: the unemployment rate had returned to levels prevailing before the recession, and the rapid growth in real GNP had begun to moderate. Thus, funds spent before June 1984 had more potential to create jobs while unemployment was still relatively high without being inflationary. Although the act was passed 4 months after the recession had ended in November 1982, the criteria suggest that the act still could have provided timely aid to the millions of unemployed workers had the money been spent quickly.

[5]For a discussion of the inflationary potential of job creation strategies, see Martin Neil Baily and James Tobin, "Inflation-Unemployment Consequences of Job Creation Policies," in Palmer.

[6]The economy is generally considered in recession if real GNP declines for 2 consecutive quarters.

Most Funds Not Spent by June 1984 When Jobs Were Most Needed

Most Emergency Jobs Act funds were not spent before June 1984, when additional spending to create jobs was most needed. Using DRI's macroeconomic model of the United States' economy, we generated estimates of the employment effects of Emergency Jobs Act funds spent through June 1985.[7] The estimated expenditure and employment effects of the Emergency Jobs Act funds are illustrated in figure 2.1.

Six months after the act was passed, about $1.3 billion had been spent and an estimated 21,000 jobs were added to the economy. By March 1984, 1 year after passage, about $2.4 billion, or about 26 percent of the $9 billion made available by the act, had been spent. This provided an estimated 34,000 additional jobs in the economy.

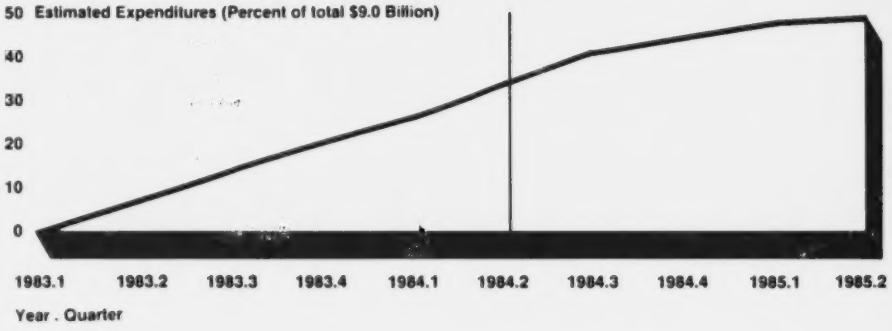
The estimated number of jobs in the economy attributable to the Emergency Jobs Act peaked at about 35,000 by June 1984, when about $3.1 billion, or 34 percent of the act's funds, had been spent. About 8 million persons remained unemployed at that time. These 35,000 jobs represent less than 1 percent of an estimated 5.8 million jobs generated by the recovering economy since the act was passed in March 1983.

By June 1985, 2-1/4 years after enactment, about $4.5 billion had been spent. According to the estimates, the stimulative effect from the act had diminished by that time as the additional jobs in the economy attributable to the Emergency Jobs Act spending had declined to about 8,000. Compared to an estimated 4-million increase in the aggregate number of persons unemployed during the recession, the number of jobs created with Emergency Jobs Act funds was modest.

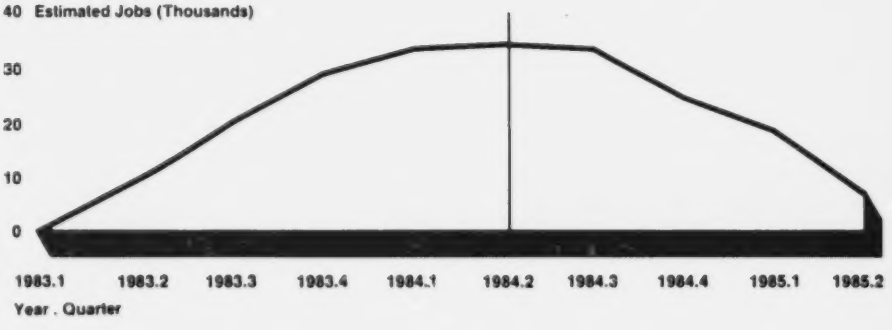
[7]The employment estimates in this chapter represent the net employment effect from funds spent, taking into account the employment directly attributable to Emergency Jobs Act expenditures as well as private employment stimulated by these expenditures. These increases may have been partially offset by state and local governments substituting the Emergency Jobs Act funds for previously budgeted funds and thus not adding to their expenditures or creating jobs. Therefore, these employment estimates represent the additional jobs in the economy as of a given date that are attributable to the funds spent up to that date, not the total number of people employed by the act's funds.

Figure 2.1: Estimated Expenditures and Employment Effects of the Emergency Jobs Act

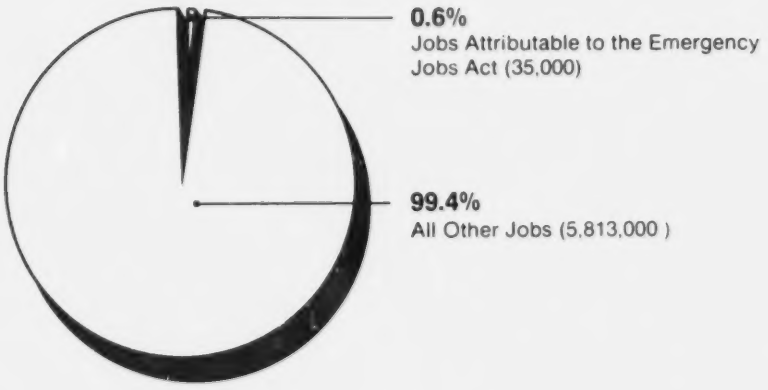
By June 1984, about 34 percent, or $3.1 billion, of Emergency Jobs Act funds had been spent,



resulting in a peak employment effect of about 35,000 jobs,



which represents a small proportion of the new employment created in the economy between March 1983 and June 1984.



Expenditure Rates Varied

As noted earlier, the expenditure rates varied greatly among the 77 programs and activities. The rate at which funds were spent may have been affected by several factors, some related to characteristics of the programs and activities funded and others to specific provisions in the act.

Some Programs and Activities Spent Quickly, Others Slowly or Not at All

Six months after the act was passed, by September 30, 1983, 4 of the 77 programs and activities had spent 100 percent of the funds made available to them and 7 had spent none (see table 2.1). While 10 programs and activities, representing about 43 percent of the funds made available, had spent less than 15 percent by June 30, 1984, 17 others with about $1.3 billion available had spent at least 85 percent. By June 1985, 2-1/4 years after the act's passage, two programs and activities had spent none of the $56 million made available to them and 45 others had spent at least 85 percent. Expenditure data for each of the 77 programs and activities as of four dates, beginning with September 30, 1983, and ending with June 30, 1985, appear in appendix I.

Table 2.1: Distribution of Spending Rates and Funds Made Available and Spent for 77 Programs and Activities

Funds in millions

	As of								
	September 1983			June 1984			June 1985		
Percent of funds spent	Programs	Funds Available	Funds Spent	Programs	Funds Available	Funds Spent	Programs	Funds Available	Funds Spent
0	7	$803	$0	2	$56	$0	2	$56	$0
1 - 15	36	6,055	170	8	3,819	82	4	3,656	118
16 - 50	18	1,125	352	24	2,697	967	5	445	135
51 - 84	9	669	433	26	1,165	818	21	2,254	1,686
85 - 99	3	225	214	13	1,142	1,044	28	1,404	1,331
100	4	151	151	4	151	151	17	1,216	1,217[a]
Total[b]	**77**	**$9,029**	**$1,319**	**77**	**$9,029**	**$3,062**	**77**	**$9,029**	**$4,487**

[a]Because monies other than Emergency Jobs Act funds were used in one program, funds spent exceeded funds available by about $1 million.

[b]Columns may not add to totals because of rounding.

Funds Spent Within 6 Months

By September 30, 1983, 6 months after the act's passage, an estimated $1.3 billion (about 14.6 percent) of the $9 billion made available had been spent. As of that date, seven programs and activities are estimated to have spent more than 85 percent of their funds. For example, two income support programs and activities that provided humanitarian assistance to indigent persons spent 100 percent of their funds. These

were the Department of Agriculture's Women, Infants, and Children Program and the Federal Emergency Management Agency's Emergency Food and Shelter Program. Also, about 98 percent of the Small Business Administration's Parks and Recreational Area Development Grants Program funds had been spent by September 30, 1983—the date by which the congressional conference report related to the act had directed that projects be completed.

Seven programs and activities spent no funds in the first 6 months after enactment. The monies made available to these programs and activities ranged from $5 million appropriated to the Department of Education's Rehabilitation Services and Handicapped Research Program to $450 million to the Department of Agriculture's Rural Development Insurance Fund.

Funds Spent Within 15 Months

By June 30, 1984, 15 months after the act's passage, an estimated $3.1 billion, about 34 percent of the funds made available, had been spent. Ten programs and activities, to which about $3.9 billion had been made available by the act, had spent less than 15 percent of their funds. Nearly $3.1 billion, about 80 percent of these funds, was made available to HUD's Assisted Housing Program, which was estimated to have spent about 2 percent of its funds by June 30, 1984. This program normally spends funds slowly because of its long-term contracts, which typically are for 20 or more years. As we concluded in our previous report on options for aiding the homebuilding and forest products' industries, construction of multifamily housing, such as that funded by the Assisted Housing Program, is not an effective countercyclical stimulus because of the long lead time required before construction begins.[8] Seventeen other programs and activities, which had about $1.3 billion made available to them, had spent at least 85 percent of their funds by June 30, 1984.

Funds Spent Within 2-1/4 Years

By June 30, 1985, 2-1/4 years after the act was passed, about $4.5 billion had been spent, and about 50 percent of the $9 billion made available remained to be spent. Two programs and activities had spent no funds by that time:

- The Department of Health and Human Services' (HHS) Centers for Disease Control had not spent about $15.6 million appropriated to construct

[8]See our report on an analysis of options for aiding the home building and forest products industries (GAO/CED-82-121), published in August 1982.

a high containment laboratory for research on extremely contagious diseases. Problems caused by the unusual design requirements for the facility, exacerbated by its location in a densely populated area near Atlanta, delayed the construction of the facility, according to HHS officials.

- Similarly, the Department of Education's Office of Special Education and Rehabilitative Services did not spend $40 million appropriated to a program to remove architectural barriers to the handicapped in school buildings. According to Education officials, this was the first appropriation the program had received since being authorized in 1974. Because criteria, rules, and formulas to distribute the funds had to be developed and were not published until July 18, 1985, work could not begin until after that date.

Factors That May Have Affected Expenditure Rates

The type of program or activity and other factors may explain why certain funds were spent more quickly than others. Funds made available to public works programs and activities were spent at a significantly slower rate than those provided to other programs and activities. In addition, funds to be obligated after 1983 were spent more slowly than those to be obligated before the end of 1983. Also, funds of programs and activities that were required by the act to target a portion of their funds to high unemployment areas and states were spent faster than the funds of programs and activities not subject to targeting provisions. While these factors may have affected the expenditure rates, other aspects of the programs and activities, such as their administrative structures, also may have influenced the spending rates. A comparison of the rates at which these categories of funds were spent appears in table 2.2.[9]

[9]App. I lists and categorizes each of the 77 programs and activities.

Table 2.2: Expenditure Rates of Funds Made Available to 77 Programs and Activities by Various Categories

Category[a]	No. of programs	Funds made available (millions)	Percent of funds spent as of 6/30/84	Percent of funds spent as of 6/30/85
Program type:				
Public works	55	$7,784	25.6	42.0
(without HUD Assisted Housing)	(54)	(4,703)	(41.1)	(67.4)
Other	22	1,245	86.0	97.7
Obligation dates:				
1983	35	2,397	56.1	74.4
Other	42	6,632	25.9	40.8
(without HUD Assisted Housing)	(41)	(3,551)	(46.8)	(73.3)
Geographical targeting provisions:				
Sections 101(a) and (b) of act	33	3,126	52.0	82.6
Nontargeted	44	5,903	24.3	32.3
(without HUD Assisted Housing)	(43)	(2,822)	(48.9)	(64.0)
Total	**77**	**$9,029**	**33.9**	**49.7**
(without HUD Assisted Housing)	(76)	($5,948)	(50.5)	(73.8)

[a]Because of the large amount of funds made available ($3.1 billion), its long-term contracts, and its inherently slow expenditure rate, we separated HUD's Assisted Housing Program from other programs and activities within each category to reflect how this program affects the comparisons.

Public Works Funds Spent More Slowly

Funds made available to public works programs and activities for projects such as constructing military family housing, building highways, or repairing and maintaining existing facilities tended to be spent more slowly than funds of other programs and activities, such as public service, income support, and employment and training projects. An estimated $7.8 billion, or about 86 percent of the act's $9 billion, was made available to 55 programs and activities that primarily fund public works functions. By June 1984, about 26 percent of the public works funds had been spent compared with about 86 percent of the other funds. After 2-1/4 years, about 42 percent of the public works funds had been spent compared with about 98 percent of the other funds. Based on studies of past public employment programs, public works programs typically spend slowly because of the time normally required to plan, select, and award funds to projects before work can begin.[10]

Funds With 1983 Obligation Deadlines Spent Faster

About $2.4 billion made available to 35 programs and activities required by the act to obligate funds in 1983 was spent at a faster rate than

[10]For comparisons of past public works and public service programs, see Georges Vernez and Roger Vaughan, Assessment of Countercyclical Public Works and Public Service Employment Programs (Santa Monica, CA: Rand Corp., 1978).

Funds With 1983 Obligation Deadlines Spent Faster

About $2.4 billion made available to 35 programs and activities required by the act to obligate funds in 1983 was spent at a faster rate than about $6.6 billion of programs and activities without obligation dates or with obligation dates beyond 1983. If funds were not obligated by the required dates, they would not be available to the program or activity. About 56 percent of the funds to be obligated in 1983 had been spent within the first 15 months of the act compared with 26 percent of the other funds. By June 1985, about 74 percent of the funds to be obligated in 1983 had been spent compared with about 41 percent of the other funds.

Geographically Targeted Funds Spent More Quickly

Of about $3.1 billion made available to 33 programs and activities, a portion was to be targeted to high unemployment areas and states in the country, according to sections 101(a) and (b) of the act, and about $5.9 billion made available to other programs and activities was to be disbursed using their existing allocation criteria. Within the first 15 months, funds of programs and activities subject to the targeting provisions had been spent at a faster rate than those of programs and activities not required to target funds. After 2-1/4 years, about 83 percent of the funds of programs and activities required to target funds had been spent compared with about 32 percent of the funds of other programs and activities.

Distribution of Funds Per Unemployed Among States Varied

Although not all funds were required by the act to be distributed according to unemployment data, we analyzed how the act's funds were allocated among the states relative to the numbers of unemployed persons in each state when the act was passed. In addition, we performed a similar analysis of the funds of 33 programs and activities required by the act to target a portion of their funds to high unemployment areas and states. However, we did not perform an assessment of these programs' and activities' compliance with their required targeting provisions.

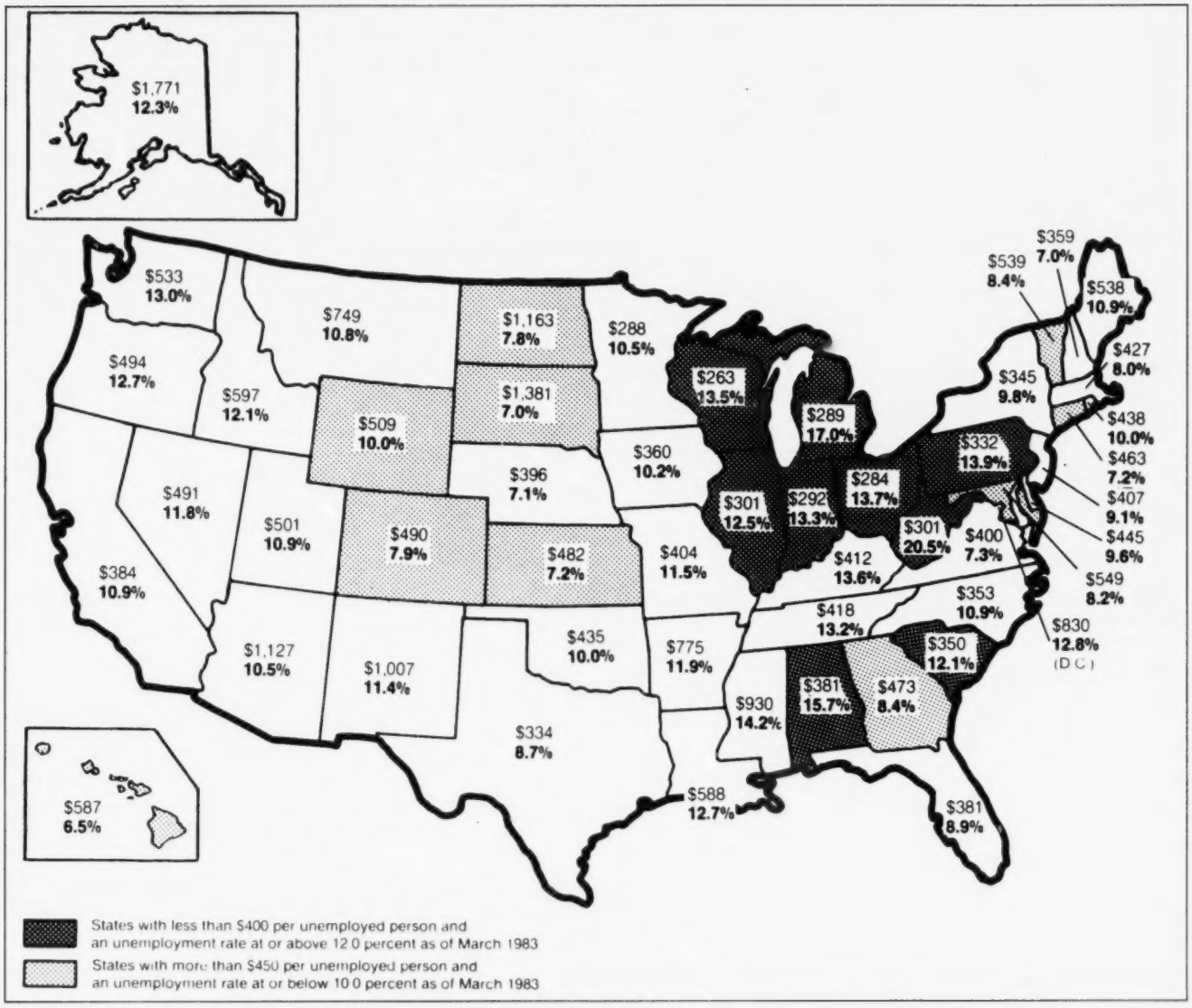
Examining allocation data that were available from federal departments and agencies for about $5.2 billion made available to 68 programs and

activities[11] , we found wide variation in the amounts of Emergency Jobs Act funds allocated to each state relative to the numbers of unemployed persons in each state. Nine states with unemployment rates among the highest in the country were also among the states allocated the least money relative to the numbers of unemployed. Funds of 27 programs and activities that were required to target a portion of their funds according to section 101(a) of the act were not proportionately distributed among the states relative to the numbers of unemployed persons. Funds of six programs and activities that, under section 101(b), were required to target a portion of their funds were distributed relatively evenly among the states according to the numbers of unemployed persons.

The national average of Emergency Jobs Act funds per unemployed person was $415, ranging among the states from $263 in Wisconsin to $1,771 in Alaska, as illustrated in figure 2.2. Seven states— Illinois, Indiana, Michigan, Minnesota, Ohio, West Virginia, and Wisconsin— were allocated less than $310 per unemployed person. Five states— Alaska, Arizona, New Mexico, North Dakota, and South Dakota— received more than $1000 per unemployed person.

[11]These funds represent about 87 percent of funds made available by the act, not including the $3.1 billion made available to the HUD Assisted Housing Program. The allocation of the $5.2 billion by program and activity among the states was reported in our April 10, 1984, letter to the chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources. For each state, app. IX details the Emergency Jobs Act funds allocated, the number of unemployed persons, and the amount of funds per unemployed.

Figure 2.2 : Allocation Among the States of About $5.2 Billion of Emergency Jobs Act Funds Relative to Unemployed Persons with March 1983 Unemployment Rates



Nine states among those allocated the lowest amount of funds relative to their number of unemployed also were among the states with the highest unemployment rates, as figure 2.2 shows. Alabama, Illinois, Indiana, Michigan, Ohio, Pennsylvania, South Carolina, West Virginia,

and Wisconsin had unemployment rates exceeding 12 percent in March 1983 and were allocated amounts of less than $400 per unemployed person. In contrast, ten states with unemployment rates of 10 percent or less were allocated amounts of more than $450 per unemployed person. These were Colorado, Connecticut, Georgia, Hawaii, Kansas, Maryland, North Dakota, South Dakota, Vermont, and Wyoming.

The distribution among states of funds from programs and activities required by section 101(a) of the act to target a portion of their funds to high unemployment areas was not proportionate to the number of unemployed. For 27 programs and activities that were subject to section 101(a) and appropriated about $1.7 billion, 75 percent of the funding was to be targeted to substate civil jurisdictions (e.g., cities and counties) having high unemployment. The amounts of funds from these programs and activities per unemployed person varied widely by state, ranging from more than $400 in five states and the District of Columbia to less than $100 in ten states. Six states (Illinois, Indiana, Michigan, Ohio, West Virginia, and Wisconsin) that were among the nine high unemployment states previously identified as being allocated amounts of less than $400 per unemployed person were also among the 10 states allocated less than $100 per unemployed person under section 101(a).[12]

Six programs and activities were required by section 101(b) to target 50 percent of their funds according to the numbers of unemployed in each state. The nearly $1.5 billion appropriated to these programs and activities was more evenly distributed according to the numbers of unemployed.[12] The amounts of these funds per unemployed person did not vary widely by state, ranging from $72 in Oklahoma to $192 in Alaska. Illustrating the relatively even distribution of these funds among the states, 35 states were allocated amounts within the range of $95 to $125 per unemployed person.

Alternative Job Creation Approaches Might Have Been More Effective

Using estimates generated by DRI's macroeconomic model of the United States' economy, we found that the employment effects of several alternative, comparably sized job creation approaches were greater than that provided by the Emergency Jobs Act. These estimates suggest that, if all $9 billion made available by the act had been spent in the first year, the peak employment effect would have been about four times what the act

[12]The amounts per unemployed person are based on the total funds made available to the programs and activities subject to the requirements of sections 101(a) and (b), not just the portion that were required to be targeted to high unemployment areas or states.

provided. Enactment of job creation legislation 1 year earlier, in March 1982, would have created a slightly greater number of jobs than similar legislation in 1983 and would have created the jobs at a time when they were more needed. Table 2.3 provides a comparison of the job creation potential of these alternatives.

Table 2.3: Estimated Peak Employment Effects of Different Expenditure Patterns of $9 Billion

Funds spent in first year	Effective date	Estimated peak employment effect[a] (no. of jobs)
Emergency Jobs Act—actual expenditures:		
$2.4 billion	3/83	35,000
Hypothetical programs similar to the Emergency Jobs Act:		
$9 billion[b]	3/83	131,000
	3/82	138,000
$6 billion[c]	3/83	87,000
	3/82	92,000

[a]Occurs in the fourth or fifth quarter after the effective date.

[b]Because the $3.1 billion made available to the HUD Assisted Housing Program could not possibly be spent in 1 year, we assumed that these funds were distributed among the other Emergency Jobs Act programs and activities in proportion to the relative amounts of funds they each received from the act and assumed that all $9 billion was spent in the first year.

[c]We assumed that (1) $3.1 billion was made available to the HUD Assisted Housing Program and $42.5 million was spent in 1 year—the funds estimated to have been spent by this program in the first year of the Emergency Jobs Act—and (2) about $5.9 billion made available to all other programs and activities was spent in 1 year.

Source: GAO estimates using the DRI model of the United States' economy.

Our analysis suggests that a job creation program consisting of programs and activities that could have spent $9 billion within the first year following its enactment in March 1983 would have had an estimated peak employment effect of about 131,000 jobs, or about four times the Emergency Jobs Act's estimated peak employment effect of 35,000 jobs. If such a program were passed 1 year earlier, in March 1982, we estimated the employment provided would have peaked at about 138,000 jobs.[13] The estimate of jobs created by a program enacted in 1982 is slightly higher than the estimate for one enacted in 1983 because during 1982 more people were unemployed, the excess supply of labor was greater, and less resources were being utilized. Additional government spending under these conditions should not compete as

[13]As March 1982 was the end of the second successive quarter of declining real GNP and the earliest possible date that the recession could have been identified, we compared the employment effects of programs enacted at that time. To maintain comparability among the programs for the 2 years, we deflated 1983 dollars to 1982 dollars.

much with private employers' spending for labor and, thus, should create more jobs without increasing wages.

Recognizing that the HUD Assisted Housing Program, to which about $3.1 billion was made available by the act, typically spends its funds over a period of 20 years or more, we also simulated a job creation program capable of spending $6 billion within 1 year. The estimate of the peak employment effects from such a program was about 87,000 jobs. Had it been enacted in March 1982, the peak employment effect would have been about 92,000. As previously discussed, the employment effects of a program enacted in 1982 are slightly greater than in 1983 because more unemployed resources were available in 1982.

Emergency Jobs Act Compared to Past Job Creation Efforts

The Emergency Jobs Act was enacted more quickly following the beginning of the 1981-82 recession than the average time that elapsed between the beginning of past recessions and the enactment of countercyclical job creation programs in response to them. For both the Emergency Jobs Act and past public works job creation programs, funds were spent at about the same rate within the first 15 months after their enactment. After 2-1/4 years, however, the cumulative percentage of Emergency Jobs Act funds spent was smaller compared with a similar period for the other programs. In addition, past public service employment programs spent funds faster than the Emergency Jobs Act.

The Emergency Jobs Act was passed 21 months after the beginning of the 1981-82 recession; the average was 27 months for six past job creation programs, as table 2.4 shows. Of the other six programs, three were enacted within 21 months after the beginning of the related recession and three 30 months or more later.

Table 2.4: Elapsed Time From Start of Recession to Enactment of Job Creation Legislation for Seven Programs

Program	Program type	Date recession started	Date law enacted	Months elapsed
Accelerated Public Works	Public works	4/60	9/62	30
Emergency Employment Act	Public services	12/69	7/71	20
Public Works Impact Program	Public works	12/69	8/71	21
Comprehensive Employment and Training Act— Title VI	Public services	11/73	12/74	14
Local Public Works—I	Public works	11/73	7/76	33
Local Public Works—II	Public works	11/73	5/77	43
Average				**26.8**
Emergency Jobs Appropriations Act	Public works and services	7/81	3/83	21

Compared with the expenditure rates of past public works job creation programs shown in table 2.5, Emergency Jobs Act funds were spent at about the same rate initially, but much slower thereafter. About 34 percent of the act's funds had been spent within 15 months of its passage compared with about 34 and 45 percent of the funds for the Local Public Works Programs of 1976 and 1977, respectively. Within 2-1/4 years, however, Emergency Jobs Act funds were spent at a slower rate than the other two programs. Also, the funds for public works programs and activities under the Emergency Jobs Act were spent at a slower rate than those of past public works programs, as table 2.5 shows. For example, within the first 15 months after the act's passage, about 26 percent of the act's public works funds had been spent compared with about 34 and 45 percent of the two Local Public Works Programs. If the $3.1 billion in HUD Assisted Housing funds is not included, however, the Emergency Jobs Act public works funds were spent at a slightly faster rate than the Local Public Works Program of 1976. Expenditure data for the two time periods discussed were not available for two other public works job creation programs—the Accelerated Public Works and the Public Works Impact Programs.

Table 2.5: Spending Rates of Public Works Job Creation Programs

Program	Year passed	Funds made available ($ billion)	Percent spent after 15 months	Percent spent after 2-1/4 years
Emergency Jobs Act:	1983	$9.03	33.9	49.7
Public works programs and activities		(7.78)	(25.6)	(42.0)
Public works less the HUD Assisted Housing Program		(4.70)	(41.1)	(67.4)
Local Public Works—II[a]	1977	4.0	45.0	85.2
Local Public Works—I[a]	1976	2.0	34.4	80.7

[a]For the expenditure rates for the Local Public Works Programs, see Economic Development Administration, Local Public Works Program: Final Report (Washington, DC: U.S. Department of Commerce, 1980).

In comparison with past countercyclical public service employment programs, Emergency Jobs Act funds were spent more slowly. The Emergency Employment Act of 1971, which was enacted and appropriated $1 billion in July 1971, had spent about 57 percent of its funds within 12 months by the end of fiscal year 1972. Within 24 months of enactment, the program had spent about $1.6 billion, or about 70 percent of the total $2.25 billion appropriated for fiscal years 1972 and 1973. These rates of expenditure were faster than the Emergency Jobs Act, which spent about 26 percent of its funds within 12 months and about 50 percent within 27 months. Title VI of the Comprehensive Employment and Training Act, another public service employment program, also spent funds more quickly than the Emergency Jobs Act. About 36 percent of its initial $875 million appropriation for fiscal year 1975 had been spent within 7 months of enactment, compared with the 26 percent within 12 months by the Emergency Jobs Act. About 60 percent of the $3.7 billion appropriated to the title VI program in its first 2 years ($2.8 million was added for fiscal year 1976) had been spent within 19 months, compared with about 50 percent of the Emergency Jobs Act funds spent within 27 months. Thus, these public service employment programs spent funds considerably faster than the Emergency Jobs Act and past public works job creation programs.

Expenditure Rates and Use of Funds Varied Among Selected Programs and Geographical Areas

The Emergency Jobs Appropriations Act was enacted to provide productive employment for jobless Americans; hasten or initiate federal projects and construction of lasting value; and provide humanitarian assistance, such as home health care services, to the indigent. The Congress intended that the funds made available by the act be disbursed as rapidly as possible to quickly assist the unemployed and needy.

To obtain detailed information about the status and use of Emergency Jobs Act funds, we (1) reviewed projects funded in six selected geographical areas and (2) using a questionnaire, surveyed a sample of projects funded by 10 of the 77 programs and activities to which monies were made available by the act. (See figure 1.3 for the areas and table 1.2 for the 10 programs and their objectives.) Because most federal departments and agencies and the entities that received funds were not required by the act to maintain data or report on use of the money, detailed and complete information was not always available on projects funded. Thus, our results reflect only available data and are not necessarily representative of nor projectable to all projects, programs, or activities to which funds were made available by the act.

Our review and analysis of projects awarded funds by the 10 programs and in the 6 geographical areas revealed that:

- Expenditure rates of Emergency Jobs Act funds varied significantly, ranging from about 89 percent of one program's funds being spent within the first year of the act to about 7 percent of another program's funds being spent within 18 months.
- Certain factors, such as having a backlog of planned projects available when the act was passed and selecting projects that required minimal planning, facilitated the spending of funds. Other factors, such as federal, state, or local government requirements, inclement weather, staff shortages, contract or grant requirements, and other administrative matters, may have slowed spending.
- The unemployed, minorities, women, and unskilled workers were a relatively small percentage of the people employed with Emergency Jobs Act funds.
- Steps taken by local officials to provide employment opportunities to the unemployed varied, ranging from some officials making no effort to others requiring that those employed be certified by state employment agencies as being unemployed.
- Benefits other than employment were provided and expected from the funds spent, including construction of public libraries and roads; provision of humanitarian assistance, such as food and health services; and

rehabilitation of public buildings and facilities, such as a school and parks.

Expenditure Rates Varied in 10 Programs; Administrative Factors Often Cited

For the first year of the act ending March 31, 1984, the estimated expenditure rates among the 10 programs reviewed by GAO ranged from about 1 percent of the Farmers Home Administration's (FmHA) Rural Water and Waste Disposal Loan Program funds to about 89 percent of the Corps of Engineers' Operation and Maintenance Program funds (see table 3.1). As of that date in 6 of the 10 programs, less than 40 percent of the Emergency Jobs Act funds had been spent, while in the remaining four programs between 65 and 89 percent of the funds had been spent. Eighteen months after the act was passed (September 30, 1984), the expenditure rates among the 10 programs ranged from about 7 percent in the FmHA Program to about 98 percent in the Corps' Operation and Maintenance Program. At least 80 percent of the funds for five programs and between 7 and 63 percent of the funds for the other five had been spent by that time.

Table 3.1: Estimated Expenditure of Emergency Jobs Act Funds for 10 Programs as of March 31 and September 30, 1984

	Estimated expenditure of funds[a] as of:			
	March 31, 1984		September 30, 1984	
Program	Allocated	Percent spent	Allocated	Percent spent
Rural Water and Waste Disposal Loans	$90,559,245	1	$90,559,245	7
Corps' Operations and Maintenance	169,444,155	89	169,683,102	98
Corps' Construction	93,203,028	84	93,203,028	97
Public Library Construction	39,449,335	7	37,482,001	29
Home Health Care	4,878,579	37	4,878,579	80
Community Development Block Grant— Entitlement Cities	632,901,936	29	632,901,936	60
Indian Housing	27,306,919	67	27,306,919	94
Operation of National Parks	27,941,352	65	29,009,137	95
Airport Improvements	125,772,124	32	124,014,582	63
Urban Mass Transportation	98,172,615	26	98,172,615	41

[a]Except for the Urban Mass Transportation Program, expenditure estimates for these programs are (1) projected from data collected with our questionnaire, (2) subject to sampling errors, and (3) valid for only a portion of the projects funded by each program. Because all projects funded by the Urban Mass Transportation Program were surveyed, the expenditure estimates are based on the questionnaires returned and are not projected. The sampling errors and portion of projects for which the estimates are valid for each program are shown in app. VI.

Federal officials responsible for administering the 10 programs identified several factors that may have affected the rate at which the funds were spent. For the five programs that had the slowest expenditure rates within the first 18 months of the act (as of September 30, 1984), officials stated that inclement weather, staff shortages, and administrative delays (e.g., federal, state, or local government requirements and matching fund requirements) were among the factors that may have precluded more funds from being spent. Specific examples included:

- Public Library Construction Program: Department of Education officials stated that, because no funds had been appropriated to the program since 1974, the Department and several state library agencies awarded Emergency Jobs Act funds were not staffed adequately to administer funds promptly when the act was passed. Also, the officials believed that state requirements to spend matching funds before Emergency Jobs Act funds and the time required to select contractors and acquire land affected the rate at which the act's funds were spent. The expenditure rates also may have been slowed by projects starting later than planned. Fifty-four percent of the respondents to our questionnaire indicated that their projects started later than planned. Factors they cited most frequently as contributing to a later start included preliminary design requirements, inclement weather, and grant or contract award delays or requirements.
- Rural Water and Waste Disposal Loan Program: FmHA officials believed that delays in starting projects and thus in spending program funds resulted from complying with local and state ordinances or requirements, obtaining rights-of-way, and securing state agencies' approval of plans and specifications. In addition, according to the officials, the manner in which the loan program operated might have affected the expenditure rates. They said that for about 75 percent of the projects, those that obtained interim financing, Emergency Jobs Act funds were not advanced until the projects were completed. Our questionnaire results for this program, however, indicated that by September 30, 1984, only about 12 percent of the projects had been started.

Having projects designated and planned before the act was passed was among the factors that facilitated starting projects and spending funds, according to officials of programs that had the fastest expenditure rates as of September 30, 1984. For example:

- Corps of Engineers Operation and Maintenance Program: Corps of Engineers officials stated that the primary reason they were successful in administering Emergency Jobs Act funds was that a backlog of planned

projects was available when the act was passed. Of the respondents to our questionnaire, 65 percent indicated that more than half the planning necessary for their projects was completed before Emergency Jobs Act funds were approved for them.

- Operation of National Parks: Department of the Interior officials also noted that having a backlog of projects that could be started quickly helped them spend the funds appropriated for operating the national parks. Further, they said that selecting projects that required minimal planning, such as rehabilitating picnic grounds and clearing land for park sites, accelerated the rate at which funds were spent.

Expenditure Rates in Six Geographical Areas Varied Widely

Among the six geographical areas we surveyed, funds were spent at rates that ranged from about 9 to 52 percent as of March 31, 1984, 1 year after the act was passed (see table 3.2).[1] The largest percentage was in the Lawrence-Haverhill, Massachusetts, metropolitan area, where about 52 percent of about $2.3 million allocated to 29 projects was spent. Less than 40 percent of the funds allocated to projects in the other five areas had been spent by that time. The slowest spending occurred in a rural area of south central Georgia, where about 9 percent (about $370,000) of about $4.1 million allocated among nine projects had been spent within the act's first year.

Table 3.2: Expenditure of Emergency Jobs Act Funds Allocated to Projects in Six Geographical Areas as of March 31, 1984

		As of March 31, 1984		
			Spent	
Area	Projects funded	Allocated	Amount	Percent
Montgomery, AL	33	$5,558,761	$1,821,258	33
Fresno County, CA	87	5,991,356	1,232,595	21
South Central Georgia	9	4,113,647	370,096	9
Lawrence-Haverhill, MA	29	2,292,564	1,202,507	52
Cleveland, OH	153	26,474,082	9,900,776	37
Northeast Texas	23	3,367,457	830,008	25

Spending rates on individual projects in these six areas ranged from 0 to 100 percent within 1 year of the act. Officials responsible for managing the projects identified factors that may have affected the expenditure of funds on individual projects, including weather, requirements to spend funds by a specific date, and staff shortages. For example:

[1]For the six areas, expenditure data as of September 30, 1984, were not obtained because most of our fieldwork in the areas was completed before that time.

- California allocated $90,395 of the Alcohol, Drug Abuse, and Mental Health Services Block Grant funds it received through the Emergency Jobs Act to four projects in Fresno County. According to state officials, these funds were not spent within the first year of the act because the county's staffing was inadequate to administer the funds when they first became available in October 1983. As a result, the state legislature had to reapprove the funds, which did not become available to the county until September 1984.
- In the Lawrence-Haverhill metropolitan area, the city of Lawrence was awarded $20,000 of the Department of the Interior's Historic Preservation Fund to restore its city hall tower. As of March 31, 1984, about 5 percent of the award, or $1,040, had been spent. Although the restoration contract was awarded in December 1983, a project official said that inclement weather prevented work from beginning until the following April.
- About $551,000 of Ohio's Parks and Recreational Area Development Grant funds from the Small Business Administration was awarded to 17 projects in the Cleveland metropolitan area to rehabilitate or develop public parks and recreational areas. The state required these funds to be spent by September 30, 1983—the date by which the congressional conference report accompanying the act had directed that projects be completed. By that date, all but $6,900 had been spent.

Hundreds Employed With Funds Spent in 10 Programs

The estimated number of people employed with the Emergency Jobs Act funds spent by the 10 programs included in our survey ranged from about 170 in one program to about 35,500 in another as of March 31, 1984, and from about 670 to about 63,500 as of September 30, 1984 (see table 3.3). By the March date, the fewest number of people were employed with funds made available to FmHA's Rural Water and Waste Disposal Loan Program and the largest number with funds from HUD's Community Development Block Grant (CDBG)—Entitlement Cities Program. By the end of September, the estimated number employed among the 10 programs ranged from about 670 on projects funded by the Department of Transportation's Urban Mass Transportation Fund to about 63,500 employed with HUD's CDBG—Entitlement Cities Program funds.

The employment estimates provided in this chapter reflect the total number of people employed on projects funded by each program from the date the act was passed to the dates provided, without regard to the length of their employment. Because the employment estimates provided in chapter 2 are the net additional jobs in the economy as of a

given date, the employment estimates provided in these two chapters should not be compared. For example, if three people are employed for 1 month each in a given quarter, net employment as estimated in chapter 2 would be increased by one person for 1 quarter, whereas the number of people employed would be increased by three as analyzed in this chapter.

Table 3.3: Employment Resulting From the Emergency Jobs Act in 10 Programs as of March 31 and September 30, 1984

Program	Estimated people employed[a] as of March 31, 1984	Estimated people employed[a] as of September 30, 1984
Rural Water and Waste Disposal Loans	168	825
Corps' Operation and Maintenance	6,822	7,785
Corps' Construction	2,421	2,678
Public Library Construction	575	2,270
Home Health Care	518	734
CDBG—Entitlement Cities	35,518	63,527
Indian Housing	3,171	3,753
Operation of National Parks	3,458	3,915
Airport Improvement	2,404	4,295
Urban Mass Transportation	466	667

[a]Except for the Urban Mass Transportation Program, employment estimates are (1) projected from data collected with our questionnaire, (2) subject to sampling errors, and (3) only valid for a portion of the projects funded by each program. For the Urban Mass Transportation Program, we surveyed all projects funded; thus, the employment estimates are based on the questionnaires returned and are not projected. For the sampling errors and portion of projects for which the estimates are valid for each program, see app. VI.

Available Data Indicate Certain Groups of People Received Few Jobs

The information that follows on the employment provided and people employed on projects in the 10 programs we surveyed consists of the actual questionnaire responses. Because questionnaire respondents did not always report complete data, the projections from these data had large sampling errors and, consequently, are not reported. While not necessarily representative of each program, the limited data that were reported by the questionnaire respondents indicated that, as of September 30, 1984:

- Over half of the people employed in seven programs worked an average of over 32 hours per week;[2]
- Over half of the people employed in eight programs worked 4 weeks or more;[2]

[2]Comparable data were obtained for only 9 of the 10 programs surveyed.

- No more than 28 percent of those employed in seven programs were minorities;
- No more than 9 percent employed in nine programs were women; and
- No more than 23 percent employed in four programs were unskilled workers.[2]

Average Hours Worked Weekly by People Employed in Nine Programs

Of the people employed on projects in six of nine programs as of March 31, 1984, and seven programs as of September 30, 1984, more than half worked over 32 hours per week (see table 3.4).[3] According to federal officials from two programs in which more than half of the people worked 32 hours or less per week as of September 30, 1984, the weather or the time needed to accomplish projects may explain why more people did not work more than 32 hours per week.

For example, about 32 percent of the people employed on projects funded by the Public Library Construction Program worked over 32 hours weekly as of September 30, 1984. Education officials believed that inclement weather may have prevented more people from working more hours. In addition, they indicated that the work required on projects, such as painting, carpentry, and plumbing, may have required less than one week to complete. As to why 74 percent of the people worked 32 hours or less per week as of September 30, 1984, on projects funded by the Home Health Care Program, HHS officials explained that the home health care services were contracted on an as-needed or part-time basis.

[3]Comparable data were not obtained for HUD's CDBG—Entitlement Cities Program.

Table 3.4: Average Hours Worked Per Week by People Employed in Nine Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
				Percent employed					Percent employed	
	With data	Employing people	Total	32 hours or less	33 hours or more	With data	Employing people	Total	32 hours or less	33 hours or more
Rural Water and Waste Disposal Loans (60)	60	15	63	79	21	60	20	311	43	57
Corps' Operation and Maintenance (89)	79	74	1,212	11	89	79	75	1,400	15	85
Corps' Construction (84)	77	67	890	30	70	77	70	982	31	69
Public Library Construction (90)	86	18	93	68	32	84	51	476	68	32
Home Health Care (70)	67	65	385	68	32	67	66	524	74	26
Development and expansion (46)	(44)	(43)	(215)	(51)	(49)	(45)	(45)	(281)	(57)	(43)
Training (24)	(23)	(22)	(170)	(89)	(11)	(22)	(21)	(243)	(93)	(7)
Indian Housing (47)	45	42	2,012	8	92	45	45	2,366	9	91
Operation of National Parks (109)	104	91	782	20	80	102	102	879	23	77
Airport Improvements (84)	73	46	909	43	57	73	57	1,553	33	67
Urban Mass Transportation (15)	10	8	352	40	60	10	8	522	31	69

[a]Because not all questionnaire respondents were able to provide complete information on the average hours worked per week, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program. Comparable data were not obtained for the CDBG—Entitlement Cities Program.

Length of Time Worked in Nine Programs

On projects funded by eight of nine programs, at least 53 percent of the people employed worked 4 weeks or more as of March 31 and September 30, 1984 (see table 3.5).[4] About 50 percent of the people employed on projects funded by HHS's Home Health Care Program had worked 6 months or more as of those dates. According to HHS officials, these people were employed with grants awarded for periods ranging from 12 to 17 months. As of March 31 and September 30, 1984, about 60 percent of those employed worked less than 1 month on projects funded by the Public Library Construction Program—the ninth program. Some of these employees, according to Education officials, may have been performing specialized work that required their services for a short period of time.

[4]Comparable data were not obtained for the CDBG—Entitlement Cities Program.

Table 3.5: Length of Time Worked by People Employed in Nine Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
				Percent employed					Percent employed	
	With data	Employing people	Total	Less than 4 weeks	4 weeks or more	With data	Employing people	Total	Less than 4 weeks	4 weeks or more
Rural Water and Waste Disposal Loans (60)	60	15	59	47	53	60	20	311	35	65
Corps' Operation and Maintenance (89)	79	76	1,216	23	77	80	77	1,426	26	74
Corps' Construction (84)	77	67	890	35	65	77	70	980	32	68
Public Library Construction (90)	86	18	93	58	42	84	51	469	60	40
Home Health Care (70)	67	65	385	18	82	68	67	558	24	76
Development and expansion (46)	(44)	(43)	(215)	(8)	(92)	(45)	(45)	(281)	(7)	(93)
Training (24)	(23)	(22)	(170)	(31)	(69)	(23)	(22)	(277)	(40)	(60)
Indian Housing (47)	44	41	1,903	9	91	44	44	2,272	11	89
Operation of National Parks (109)	104	91	777	30	70	101	101	880	33	67
Airport Improvements (84)	73	46	885	42	58	72	56	1,399	38	62
Urban Mass Transportation (15)	9	8	352	23	77	9	8	522	18	82

[a]Because not all questionnaire respondents were able to provide complete information on the length of time people worked, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program. Comparable data were not obtained for the CDBG—Entitlement Cities Program.

Ethnicity of People Employed in 10 Programs

No more than 28 percent of the people employed on projects funded by 7 of the 10 programs were minorities as of March 31 and September 30, 1984, as table 3.6 shows. As of September 30, 1984, between 39 and 80 percent of the people employed on projects in the other three programs were minorities.

Table 3.6: Ethnicity of People Employed in 10 Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
				Percent					Percent	
	With data	Employing people	Total	Caucasian	Not Caucasian	With data	Employing people	Total	Caucasian	Not Caucasian
Rural Water and Waste Disposal Loans (60)	58	14	60	72	28	59	20	311	79	21
Corps' Operation and Maintenance (89)	75	70	1,179	73	27	74	70	1,294	73	27
Corps' Construction (84)	76	66	988	81	19	75	68	1,046	81	19
Public Library Construction (90)	83	17	113	95	5	81	50	468	88	12
Home Health Care (70)	67	65	350	80	20	67	66	480	81	19
Development and expansion (46)	(45)	(44)	(219)	(77)	(23)	(45)	(45)	(281)	(78)	(22)
Training (24)	(22)	(21)	(130)	(85)	(15)	(22)	(21)	(199)	(85)	(15)
CDBG—Entitlement Cities (113)[b]	81	74	6,646	50	50	84	83	12,475	53	47
Cities (85)	(63)	(58)	(5,504)	(43)	(57)	(65)	(65)	(10,013)	(46)	(54)
Counties (28)	(18)	(16)	(1,142)	(83)	(17)	(19)	(18)	(2,462)	(82)	(18)
Indian Housing (47)	45	42	2,012	13	87	45	45	2,381	20	80
Operation of National Parks (109)	103	90	747	74	26	101	101	848	73	27
Airport Improvements (84)	65	40	763	80	20	66	52	1,454	78	22
Urban Mass Transportation (15)	8	7	435	60	40	8	7	621	61	39

[a]Because not all questionnaire respondents were able to provide complete information on the ethnicity of those employed, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program.

[b]While 171 questionnaires were returned for this program, only 113 of the questionnaire respondents separately accounted for the employment resulting from the act.

Federal officials from three programs in which no more than 27 percent of the people employed were minorities believed that the rates were similar to minorities' representation in the construction trades or unions. Also, officials of four programs believed that more minorities were not employed because many of the projects funded by their programs were not located in urban settings. For example, according to a National Park Service official, few minorities were employed on projects funded by the Operation of National Park System Program because most national parks are located in rural areas.

The Bureau of Indian Affairs' Indian Housing Improvement Program was one of the three programs in which a large percentage of those employed were minorities. About 87 percent of the people employed were minorities as of March 31, 1984, and about 80 percent were minorities as of September 30, 1984. Bureau of Indian Affairs' officials commented that, because the program funded projects to construct housing on or near tribal communities, most people employed were native Americans.

Gender of People Employed in 10 Programs

Women constituted no more than 12 and 9 percent of the people employed on projects funded by nine programs as of March 31 and September 30, 1984, respectively, as illustrated in table 3.7. For eight of these programs, federal officials indicated that the results were reflective of the male-dominated occupations involved in construction, repair, and maintenance work. At least 69 percent of the questionnaire respondents for these eight programs indicated that either construction or repair and maintenance was the main purpose of their projects. As of March 31 and September 30, 1984, women constituted over 90 percent of the people employed on projects funded by the tenth program—Home Health Care. An HHS official said that this was because the home health services field is dominated by women.

Table 3.7: Gender of People Employed in 10 Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
	With data	Employing people	Total	Percent Male	Percent Female	With data	Employing people	Total	Percent Male	Percent Female
Rural Water and Waste Disposal Loans (60)	60	15	63	88	12	60	20	311	95	5
Corps' Operation and Maintenance (89)	78	73	1,107	96	4	78	74	1,268	96	4
Corps' Construction (84)	74	64	900	96	4	74	67	992	97	3
Public Library Construction (90)	88	19	96	94	6	86	52	498	97	3
Home Health Care (70)	68	66	390	8	92	68	67	558	8	92
Development and expansion (46)	(45)	(44)	(219)	(7)	(93)	(45)	(45)	(281)	(8)	(92)
Training (24)	(23)	(22)	(170)	(8)	(92)	(23)	(22)	(277)	(8)	(92)
CDBG—Entitlement Cities (113)[b]	81	74	6,517	90	10	83	82	12,328	92	8
Cities (85)	(64)	(59)	(5,431)	(89)	(11)	(64)	(64)	(9,866)	(91)	(9)
Counties (28)	(17)	(15)	(1,086)	(94)	(6)	(19)	(18)	(2,462)	(94)	(6)
Indian Housing (47)	45	42	2,012	97	3	45	45	2,381	96	4
Operation of National Parks (109)	104	91	777	95	5	102	102	887	95	5
Airport Improvements (84)	72	44	864	96	4	73	56	1,592	97	3
Urban Mass Transportation (15)	9	8	458	89	11	9	8	660	91	9

[a]Because not all questionnaire respondents were able to provide complete information on the gender of the people employed, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program.

[b]While 171 questionnaires were returned for this program, only 113 of the questionnaire respondents separately accounted for the employment resulting from the act.

Skill Composition of People Employed in Nine Programs

As of March 31, 1984, no more than 22 percent of the people employed on projects funded by five of nine programs were unskilled, and by September 30, 1984, no more than 23 percent of those employed by four of the nine programs were unskilled (see table 3.8).[5] Federal officials from four programs stated that unskilled workers represented a small proportion of those employed on projects funded by their programs because special skills were required to perform the work, including those needed to construct public facilities and provide home health care services.

[5]Similar data were not obtained for the CDBG—Entitlement Cities Program. In our questionnaire, unskilled workers were defined as those employed on projects that did not require certain skills before being hired because the skills could be taught on the job.

Table 3.8: Skill Composition of People Employed in Nine Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
	With data	Employing people	Total	Percent Skilled	Percent Unskilled	With data	Employing people	Total	Percent Skilled	Percent Unskilled
Rural Water and Waste Disposal Loans (60)	60	15	63	80	20	60	20	311	67	33
Corps' Operation and Maintenance (89)	77	72	1,204	56	44	76	72	1,363	55	45
Corps' Construction (84)	77	67	845	64	36	77	70	937	63	37
Public Library Construction (90)	87	18	88	79	21	85	51	483	79	21
Home Health Care (70)	68	66	390	88	12	68	67	558	89	11
Development and expansion (46)	(45)	(44)	(219)	(81)	(19)	(45)	(45)	(281)	(81)	(19)
Training (24)	(23)	(22)	(170)	(96)	(4)	(23)	(22)	(277)	(97)	(3)
Indian Housing (47)	45	42	2,012	32	68	45	45	2,381	37	63
Operation of National Parks (109)	104	91	764	49	51	102	102	866	50	50
Airport Improvements (84)	69	43	830	78	22	69	54	1,451	77	23
Urban Mass Transportation (15)	10	8	437	95	5	10	8	618	92	8

[a]Because not all questionnaire respondents were able to provide complete information on the skill composition of those employed, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program. Comparable data were not obtained for the CDBG—Entitlement Cities Program.

At least 50 percent of those employed on projects funded by Interior's National Park Service and Bureau of Indian Affairs Programs as of March 31 and September 30, 1984, were unskilled. According to a National Park Service official, a large percentage of those employed in the Operation of the National Park System Program were unskilled because the funded projects required minimal job skills, such as cleaning trails, painting, and other minor repair and maintenance activities. A Bureau of Indian Affairs' official suggested that our questionnaire results possibly overstated the number of unskilled people employed on projects funded by the Indian Housing Program, because building houses requires a certain level of skill. He believed the respondents may have classified workers as unskilled if they did not belong to unions.

Few Jobs Provided to Unemployed; Efforts to Do So Varied

The Emergency Jobs Act required federal agencies, states, and political subdivisions of the states to use funds to the extent practicable "in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act"—March 24, 1983. In 8 of the 10 programs we surveyed, no more than 35 percent of the people employed as of September 30, 1984, were previously unemployed, according to data available from questionnaire respondents.[6] Steps taken by local officials to hire the unemployed within the 10 programs and 6 geographical areas were varied, ranging from some making no effort to others working closely with state employment agencies to locate unemployed persons.

Previous Employment Status of People Employed in 10 Programs

As of September 30, 1984, no more than 35 percent of the people employed on projects funded by 8 of the 10 programs were previously unemployed (see table 3.9). In the other two programs, 41 and 89 percent of the people employed as of September 1984 were previously unemployed. As of March 31, 1984, no more than 34 percent of those employed in seven programs were previously unemployed; between 40 and 93 percent of the people employed in the other three programs were previously unemployed. Although the data indicate that relatively few of the people hired were previously unemployed, some of those identified by questionnaire respondents as having been previously employed might have become unemployed subsequently without the Emergency Jobs Act funds.

[6]Because data were not always available for projects in the six geographical areas we surveyed, we have not provided a similar analysis of the number of unemployed people provided jobs in these areas.

Table 3.9: Numbers of Unemployed Persons Hired on Projects Funded by 10 Programs as of March 31 and September 30, 1984

Program (no. of projects responding)	As of March 31, 1984					As of September 30, 1984				
	No. of projects		People employed[a]			No. of projects		People employed[a]		
	With data	Employing people	Total	Percent Employed	Percent Unemployed	With data	Employing people	Total	Percent Employed	Percent Unemployed
Rural Water and Waste Disposal Loans (60)	59	3	60	83	17	59	13	311	77	23
Corps' Operation and Maintenance (89)	72	51	966	66	34	71	51	1,041	65	35
Corps' Construction (84)	66	32	697	69	31	66	35	764	69	31
Public Library Construction (90)	80	6	79	80	20	73	24	409	77	23
Home Health Care (70)	67	38	387	78	22	67	42	553	81	19
Development and expansion (46)	(44)	(30)	(217)	(67)	(33)	(44)	(34)	(275)	(67)	(33)
Training (24)	(23)	(8)	(170)	(92)	(8)	(23)	(8)	(277)	(94)	(6)
CDBG—Entitlement Cities (113)[b]	63	48	5,716	60	40	64	57	10,931	66	34
Cities (85)	(47)	(36)	(4,830)	(58)	(42)	(46)	(41)	(8,888)	(66)	(34)
Counties (28)	(16)	(12)	(886)	(69)	(31)	(18)	(16)	(2,043)	(67)	(33)
Indian Housing (47)	43	40	1,863	7	93	43	43	2,232	11	89
Operation of National Parks (109)	101	59	739	54	46	99	62	837	59	41
Airport Improvements (84)	56	18	668	80	20	50	22	922	80	20
Urban Mass Transportation (15)	3	2	92	82	18	4	3	143	80	20

[a]Because not all questionnaire respondents were able to provide complete information on the numbers of unemployed persons hired, we were not able to make projections of these data for each program. The data reported in the table reflect the responses of those questionnaire respondents that were able to report the data and are not necessarily representative of each program.

[b]While 171 questionnaires were returned for this program, only 113 of the questionnaire respondents separately accounted for the employment resulting from the act.

In commenting on our questionnaire results, program officials believed that unemployed persons received few of the jobs for a variety of reasons, ranging from the unemployed not possessing needed skills to contractors sustaining employment for their existing staff. For example, for five programs in which less than 35 percent of the people employed were previously unemployed as of September 30, 1984, officials said that few jobs went to the unemployed because many of the projects required specialized skills that the unemployed often lacked. Among those cited were bricklaying, harbor dredging, engineering, welding, and providing home health care. Concerning the small percentage of unemployed people hired on projects funded by the Airport Improvement

Program, a Federal Aviation Administration official said that, rather than hire new people, contractors tended to use existing staff because they could attest to their dependability. In four of the programs in which a small percentage of the people employed on projects were previously unemployed, officials pointed out that the projects funded may have sustained the employment of people identified by questionnaire respondents as previously employed.

Efforts to Provide Employment Opportunities to the Unemployed Varied

Some local officials made no effort to provide employment opportunities to the unemployed, while others worked closely with state employment agencies to locate the unemployed. Based on the responses to our questionnaire, actions taken to hire the unemployed ranged from little or none to a very great extent. We found a similar range of efforts by project officials within the six geographical areas surveyed.

Questionnaire respondents were asked to indicate the extent to which they or their contractors attempted to hire people who were (1) unemployed, without regard to how long they had been unemployed; (2) unemployed for at least 15 of the 26 weeks before the start date of their project; and, as required by the act, (3) unemployed for at least 15 of the 26 weeks before the date the act was passed—March 24, 1983. More than 75 percent of the respondents in three programs and 50 percent or less in the other seven programs made moderate or greater efforts to hire at least one of the three groups of unemployed people (see table 3.10). At least 55 percent of the respondents in three programs and no more than 20 percent in seven programs made at least a moderate effort to employ people who were unemployed for at least 15 of the 26 weeks before March 24, 1983, in accordance with the act (see table 3.11).

Table 3.10: Attempts Made to Hire the Unemployed in 10 Programs Surveyed

Program	Percent of respondents making at least a moderate attempt[a]
Rural Water and Waste Disposal Loans	76
Corps' Operation and Maintenance	40
Corps' Construction	27
Public Library Construction	38
Home Health Care	43
CDBG—Entitlement Cities	78[b]
Indian Housing	94
Operation of National Parks	46
Airport Improvements	29
Urban Mass Transportation	50

[a]Means that at least a moderate attempt was made by questionnaire respondents to hire people who were unemployed (1) regardless of their length of unemployment, (2) 15 of 26 weeks before the project start date, and/or (3) 15 of 26 weeks before the passage of the act. The remaining respondents had indicated that some or little/no attempt was made to hire all three categories of unemployed persons or that the extent to which attempts were made was not known.

[b]Respondents for this program were asked to indicate the extent to which attempts were made to hire people unemployed 15 of 26 weeks before the grant award date as opposed to hire those unemployed 15 of 26 weeks before the start of the project.

Table 3.11: Attempts Made to Hire Those Unemployed 15 of the 26 Weeks Before Enactment of the Emergency Jobs Act in 10 Programs Surveyed

Program	Percent of respondents reporting[a]		
	At least to a moderate extent	Less than a moderate extent	Extent unknown
Rural Water and Waste Disposal Loans	55	29	16
Corps' Operation and Maintenance	5	36	60
Corps' Construction	10	24	65
Public Library Construction	17	41	41
Home Health Care	20	64	16
CDBG—Entitlement Cities	71	25	5
Indian Housing	64	28	9
Operation of National Parks	17	43	39
Airport Improvements	19	31	49
Urban Mass Transportation	14	43	43

[a]The sum of the percentages for the three columns may not equal 100 because of rounding.

Steps taken by local officials to hire unemployed people in the six geographical areas examined also varied. Some made no efforts, while others required that those employed be certified by local offices of state employment agencies as being unemployed. For example, although HUD incorporated the act's employment provision in its CDBG—Entitlement

Cities grants in the Cleveland area, one project manager placed no special emphasis on hiring unemployed people. He believed that hiring the unemployed was impractical because contractors would hire through union halls where seniority would be a more important factor than the length of unemployment. Other project officials used state employment agencies to locate the unemployed. For example, in the Montgomery, Alabama, area, the state agency administering Parks and Recreational Area Development Grants from the Small Business Administration required project managers to employ only individuals certified by the state employment agency as being unemployed. All people employed with these funds on three projects in the area were thus certified.

Other Benefits Provided and Expected

In addition to the employment provided from the Emergency Jobs Act funds spent, other benefits were provided or expected from projects funded by the 10 programs and in the 6 geographical areas. These benefits include (1) construction, improvement, and repair and maintenance of facilities; (2) humanitarian assistance and public services; and (3) job training. In addition, the availability of Emergency Jobs Act funds accelerated the start dates of some projects and for others stimulated the availability of other sources of funds.

Funds Used to Construct, Improve, or Repair and Maintain Facilities

Emergency Jobs Act funds were used to construct, improve, or repair and maintain facilities. For example, funds appropriated to the Department of Education were used to construct public libraries in northeast Texas and the Montgomery, Alabama, metropolitan area. Also, in five of the six geographical areas we visited, CDBG—Entitlement Cities Program funds were spent to construct or repair roads and streets. Projects in a rural area of south central Georgia used Emergency Jobs Act monies awarded by the Department of the Interior to restore a school (a project which, according to a school manager, would not have been funded otherwise) and to improve several parks and sports facilities. In 8 of the 10 programs surveyed, at least 88 percent of the respondents indicated that projects and construction of lasting value were benefits derived or expected from their projects to a moderate extent or greater.

Humanitarian Assistance and Public Services Provided

Humanitarian assistance and public services also were provided with Emergency Jobs Act funds. For example, HHS's Home Health Care Program funds were used to provide in-home health care to the elderly, medically indigent, and disabled persons. A low-cost cafeteria food service for low-income senior citizens was established in Fresno County

with HHS's Community Services Block Grant Program funds. In the Lawrence-Haverhill metropolitan area, insulation and other related energy conservation measures were provided for the homes of low-income people with Emergency Jobs Act funds appropriated to the Department of Energy's Low-Income Energy Conservation Program.

Job Training Provided

As a result of job training made available with Emergency Jobs Act funds, people obtained or had acquired the potential to obtain employment. For example, according to a federal official of HHS's Home Health Care Program, an estimated 5,000 people were trained as homemaker-home health aides in fiscal year 1983 and obtained employment in the home health care field. Also, Community Services Block Grant funds were used to provide employment training and assistance to enhance the employment opportunities of Aid to Families with Dependent Children beneficiaries in the Lawrence-Haverhill area. In northeast Texas, these same grant funds were used by a community action agency to provide employment training to eight persons for jobs within the agency.

Project Start Dates Accelerated; Other Funds Made Available

As a result of Emergency Jobs Act funds becoming available, project start dates were accelerated and other sources of funds became available. In the nine programs we surveyed, 47 to 87 percent of the questionnaire respondents reported that their projects' start dates were accelerated due to the availability of Emergency Jobs Act funds.[7] Also, some project officials in the six geographical areas we studied indicated that the start dates of their projects were accelerated. For example, according to a Corps of Engineers official, a project in the Lawrence-Haverhill area to dredge the channel entrance at Newburyport Harbor, which was planned for fiscal year 1985, began in 1983 as a result of Emergency Jobs Act funds becoming available. Also, according to a project manager, the start date of a project to build housing units for federal prisoners in Montgomery, Alabama, was accelerated by about 2 years when Emergency Jobs Act funds became available. According to over half of the questionnaire respondents who received funds from other sources in 6 of 9 programs surveyed, the availability of Emergency Jobs Act funds stimulated the availability of the other sources of funds.[7]

[7]Comparable data were not obtained for HUD's CDBG—Entitlement Cities program.

Conclusions and Recommendations

A primary objective of the Emergency Jobs Appropriations Act was to provide productive employment for jobless Americans. Funds were to be obligated and disbursed as rapidly as possible to quickly assist the unemployed. Implementation of the act, however, was not timely and effective in providing jobs in the economy to provide relief from the high unemployment resulting from the 1981-82 recession. Most funds made available by the act were not spent quickly, and relatively few jobs were provided when they were most needed in the economy. While the act required that the long-term unemployed be given employment opportunities to the extent practicable, we found little evidence that hiring the unemployed was greatly emphasized. In addition to employment, other benefits were provided; these included constructing public facilities and providing humanitarian assistance.

Conclusions

From the results of our review, we concluded that certain types of programs and activities are not able to spend funds as quickly as others. For example, funds for public works programs and activities, which account for about 86 percent of the $9 billion made available by the act, were spent at a significantly slower rate than funds made available to other types of programs and activities, including public services, employment training, and income support. Respondents to our survey frequently cited factors normally associated with public works projects, such as contract and grant requirements, matching fund requirements, and planning activities, as well as problems created by inclement weather, as contributing to their projects beginning later than planned. As evidenced by the Emergency Jobs Act and similar countercyclical job creation programs enacted in the past, public works programs and activities have traditionally spent funds slowly.

Other factors may have affected the rate at which funds were spent. For example, funds of programs and activities that were required by the act to obligate their funds before the end of 1983 were spent more quickly than those of programs and activities that had no obligation deadline or had one beyond 1983. Also spent relatively quickly were funds of programs and activities that (1) had a backlog of planned projects when the act was passed or (2) selected projects requiring minimal planning.

Had the act emphasized programs and activities that could have spent funds quickly before the economy began to recover, more jobs would have been provided in the economy when jobs were most needed following the recession. Using a macroeconomic model of the United States' economy, we estimated that, had the $9 billion made available by the

Emergency Jobs Act been spent within 1 year, about four times the number of jobs created by the act would have been created. We recognize that a legislative requirement to spend funds quickly might cause programs and activities to alter their usual administrative practices, procedures, and controls, which could result in potential inefficiencies in the distribution and use of their funds. Therefore, we believe that an effective countercyclical job creation program should consist primarily of programs and activities that (1) historically have been able to quickly spend funds using their existing administrative structures or (2) have available projects that are already planned or require minimal planning for immediate implementation.

Except for HUD, federal departments and agencies were not required by the act to maintain records or report on the use of Emergency Jobs Act funds. For the projects we surveyed, data on the funds spent and the numbers of people employed were not always maintained, complete, or readily available. Expenditure data for 22 programs and activities were not available because federal departments and agencies did not separately account for the expenditure of the funds or could not compile the data without a significant amount of effort. Also, detailed information on people employed were not always available, including whether they were previously unemployed, how long they were employed, their gender, and their ethnicity.

We believe that the collection of quarterly information on funds spent and people employed, including the number employed and their earnings, occupation, and length of employment in full-time job equivalents, would facilitate the evaluation of such job creation programs. Also, detailed economic and demographic information on the people employed, such as their employment status before being hired, gender, and ethnicity, would permit a more complete assessment of the impact of these programs. We recognize that reporting requirements would impose additional costs and burdens on federal departments and agencies and other entities that receive the funds. However, we believe that these costs and burdens can be minimized by limiting the reporting to only essential data that the Congress believes is needed to improve its oversight and assess the job creation impact of such programs.

Recommendations

In considering any future job creation legislation in response to an economic recession, we recommend that the Congress

- emphasize programs and activities that historically have been able to quickly spend funds or that have projects available for immediate implementation to provide jobs when the economy needs them the most, placing less emphasis on public works programs and activities that traditionally have spent funds slowly, and
- require that these programs and activities obligate and, to the extent practicable, spend funds within a specified time period following the end of the recession or after enactment of the legislation to ensure that jobs are created when most needed, allowing federal departments and agencies involved some discretion in granting exceptions where it is in the best interest of the government.

Matters for Congressional Consideration

In deliberating any future job creation legislation, the Congress may also want to consider requiring federal departments and agencies that receive funds to maintain specific expenditure, employment, and other information needed to evaluate the program and to improve congressional oversight.

Agency Comments

The Office of Management and Budget, in its December 4, 1986, comments on a draft of this report (see app. X), stated that a logical outcome of our findings on the Emergency Jobs Act and those of past studies of countercyclical job creation programs is to recommend against funding job creation programs. It said that our findings—that most of the act's funds were spent after the worst of the 1981-82 recession had passed and that few jobs were created relative to the total number of unemployed—are in line with the findings of previous studies of countercyclical job creation programs. OMB stated that it could not support our recommendations, either in general or in detail, because the findings suggest that countercyclical job creation programs suffer from generic problems—that is, they are inevitably too late and too small to have an effect on a recession.

We disagree with OMB that our findings imply a blanket condemnation of countercyclical job creation programs. Our review was limited to the implementation of only one such program, and we were not asked, nor did we attempt, to address the overall advisability of countercyclical intervention by the federal government in economic recessions. Our analysis indicates that, had funds been spent quickly, the act could have

created more jobs at a time when unemployment was still relatively high. Furthermore, we believe that our recommendations, if followed, would enhance the effectiveness of future job creation programs.

OMB stated that, as a technical matter, a legislative requirement that funds of any future job creation program be spent within a specified time period would be difficult to enforce. Federal controls are on obligations, not expenditures, OMB said, and the relationship between the two, especially for public works programs, varies by project. For public works programs, OMB stated, there is generally a substantial lag between the two. OMB believes a requirement that funds be spent quickly is a prescription for wasteful spending and stated that it knew of no historical evidence that countercyclical job creation programs can be executed effectively in a short period of time.

Although we understand the difficulty of enforcing such a requirement on spending, we believe that some kind of requirement to spend funds within a specified time period is needed in future job creation programs to ensure that jobs are created when most needed in the economy. Our recommendation has been revised to also require that the funds be obligated within a specified time period, which we believe will also facilitate spending funds more quickly. Our analysis shows that the funds of programs and activities that were required to obligate their funds before the end of 1983 were spent more quickly than those of programs and activities that had no obligation deadline or had a deadline beyond 1983. We also believe that a reporting requirement, which we have suggested, would enhance federal departments' and agencies' control of spending and minimize the enforcement difficulties mentioned by OMB. Further, if programs and activities that can spend funds quickly are selected, wasteful spending and the need to enforce such a spending requirement would be reduced. Also, because there may be projects that cannot be completed within the specified period as a result of extenuating circumstances, and in light of OMB's concerns, we revised our recommendation to suggest that federal departments and agencies be given some discretion in granting extensions for spending where unplanned-for delays are encountered. We believe that our recommendations will facilitate spending funds more quickly than under the Emergency Jobs Act, minimize wasteful spending, and create jobs when most needed in the economy, thus increasing the chances that any future job creation program could be more effective.

OMB noted that the Congress considered expedient expenditure of funds to be a primary objective of the Emergency Jobs Act and made a conscious decision to use existing programs to accomplish this goal. OMB reasons that establishing a tracking and reporting system for the expenditure of these funds separate from the systems already in place would have placed enormous additional burdens on the agencies administering these programs and probably would have further delayed expenditure of the funds. OMB said that some data collection may be needed to ensure proper administration and evaluation of future job creation programs but stated that statutory reporting requirements would unduly restrict the agencies administering the programs. OMB recommended that, if future countercyclical job creation programs are proposed, the agency or agencies charged with administering the program be given discretion to determine the appropriate data to be collected and the frequency of that collection.

We understand that the Congress made a conscious decision to use existing programs to allow funds to be spent more quickly. But we do not believe that establishing a separate tracking and reporting system would create unreasonable burdens on the administering agencies or further delay expenditures. OMB's recommendation that agencies should determine the data to be collected would likely again, as in this instance, result in dissimilar program data that could not be aggregated for oversight and evaluation of future job creation programs. Our efforts to obtain information on the Emergency Jobs Act, which did not have a statutory reporting requirement for all federal departments and agencies, showed that comparable data were unavailable. Requiring that expenditure data be collected uniformly could enhance implementation by providing better information as to whether departments and agencies were meeting a requirement for rapid expenditure of funds. While any data collection or record-keeping requires resources, we believe that the burdens imposed can be minimized by limiting such reporting to those items considered essential by the Congress, given the nature of the particular countercyclical job creation program used and the objectives set for such programs.

Characteristics and Expenditure Data for 77 Programs and Activities

Federal department/agency	Program/activity	Primary purpose[b]	Obligation deadline	Legislated provision for targeting funds
Department of Agriculture:				
Agricultural Marketing Service	Funds for Strengthening Marketing, Income, and Supply (Section 32)	Income support	9/30/83	none
Agricultural Research Service	Buildings and Facilities	Public works	9/30/83	none
Food and Nutrition Service	Special Supplemental Food Program (Women, Infants, and Children)	Income support	9/30/83	none
Forest Service	Construction	Public works	Unlimited	101a
	National Forest System: Timber Stand Improvement	Public works	9/30/83	101a
	National Forest System: Roads, Trails, and Facilities	Public works	9/30/84	101a
Farmers Home Administration	Rural Water and Waste Disposal Grants[c]	Public works	Unlimited	101a
	Salaries and Expenses[c]	Public service	9/30/83	none
	Rural Development Insurance Fund[c] (Rural Water & Waste Disposal Loans)	Public works	9/30/83	none
Soil Conservation Service	Watershed and Flood Prevention Operations[e]	Public works	Unlimited	101a
	Watershed and Flood Prevention Operations[e]	Public works	Unlimited	101a
	Resource Conservation and Development	Public works	Unlimited	101a
Department of Commerce:				
Economic Development Administration	Economic Development Assistance Program	Public works	9/30/83	101a
Department of Defense (Civil):				
Department of the Army, Corps of Engineers - Civil	Construction, General	Public works	Unlimited	101a
	Operation and Maintenance	Public works	Unlimited	101a
	Flood Control, Mississippi River and Tributaries	Public works	Unlimited	101a
Department of Defense (Military):				
Department of the Army, Corps of Engineers - Military	Family Housing, Army	Public works	9/30/83	101a
Department of the Air Force	Family Housing, Air Force - Maintenance	Public works	9/30/83	101a
	Family Housing, Air Force - Construction Improvements	Public works	9/30/84	101a
Department of the Navy, Naval Facilities Engineering Command	Family Housing, Navy and Marine Corps - Construction	Public works	9/30/84	101a
	Family Housing, Navy and Marine Corps - Maintenance	Public works	9/30/83	101a

Funding authority ($000)	Spending as of 9/30/83		Spending as of 3/31/84		Spending as of 6/30/84[a]		Spending as of 6/30/85	
	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds
$75,000	$74,880	99.8	$74,880	99.8	$74,880	99.8	$74,880	99.8
3,000	355	11.8	1,317	43.9	1,823	60.8	2,742	91.4
100,000	100,000	100.0	100,000	100.0	100,000	100.0	100,000	100.0
25,000	826	3.3	4,285	17.1	7,046	28.2	17,798	71.2
35,000	7,984	22.8	7,984	22.8	12,819	36.6	27,463	78.5
25,000	3,590	14.4	11,025	44.1	14,408	57.6	17,790	71.2
150,000	6,000	4.0	27,095	18.1	40,548	27.0	91,125	60.8
6,500	4,950	76.2	5,572	85.7	5,969	91.8	6,452	99.3
450,000[d]	0	0.0	220	0.0	360	0.1	3,500	0.8
100,000	7,993	8.0	20,555	20.6	30,804	30.8	44,171	44.2
7,500	600	8.0	1,542	20.6	2,311	30.8	3,313	44.2
5,000	546	10.9	2,026	40.5	2,708	54.2	3,486	69.7
100,000	0	0.0	2,655	2.7	18,496	18.5	67,581	67.6
85,000	24,800	29.2	53,000	62.4	65,650	77.2	81,300	95.6
164,000	101,600	62.0	141,000	86.0	152,500	93.0	164,000	100.0
140,000	58,800	42.0	109,000	77.9	120,700	86.2	139,200	99.4
73,654	1,320	1.8	17,860	24.2	35,376	48.0	69,502	94.4
37,242	63	0.2	5,720	15.4	13,622	36.6	32,605	87.5
35,948	43	0.1	3,090	8.6	10,464	29.1	30,581	85.1
15,691	4	0.0	1,306	8.3	2,651	16.9	10,343	65.9
17,107	8	0.0	1,850	10.8	4,574	26.7	12,716	74.3

Federal department/agency	Program/activity	Primary purpose[b]	Obligation deadline	Legislated provision for targeting funds
Department of Education:				
Office of Educational Research and Improvement	Libraries - Public Library Construction	Public works	Unlimited	101b
Office of Elementary and Secondary Education	School Assistance in Federally Affected Areas (Impact Aid)	Public works	Unlimited	101a
Office of Postsecondary Education	Student Financial Assistance - College Work Study[c]	Public service	9/30/84	none
Office of Special Education and Rehabilitative Services	Rehabilitation Services and Handicapped Research: Rehabilitation Training - Projects with Industry	Training	9/30/83	none
	Education for the Handicapped - Removal of Architectural Barriers	Public works	Unlimited	none
Department of Energy:				
Office of the Assistant Secretary for Conservation and Renewable Energy	Energy Conservation: Low Income Energy Conservation[c]	Public service	Unlimited	none
	Energy Conservation: Schools and Hospitals Weatherization[c]	Public works	Unlimited	none
Federal Emergency Management Agency:				
	Emergency Food and Shelter (Grants to States)	Income support	9/30/83	none
	Emergency Food and Shelter (Award to National Board)	Income support	4/24/83	none
General Services Administration:				
Public Buildings Service	Federal Buildings Fund: Repairs and Alterations	Public works	Unlimited	101a
Department of Health and Human Services:				
Alcohol, Drug Abuse, and Mental Health Administration	Alcohol, Drug Abuse, and Mental Health Services Block Grant[c]	Public service	9/30/83	none
Centers for Disease Control	Preventive Health Services - Buildings and Facilities	Public works	Unlimited	none
Food and Drug Administration	Buildings and Facilities	Public works	9/30/83	none
Health Resources and Services Administration	Indian Health Facilities	Public works	Unlimited	none
	Health Resources and Services - Home Health Care Services and Training (Section 339)	Public service	9/30/83	none
	Health Resources and Services - Community Health Centers and Migrant Health Centers[c]	Public service	9/30/83	none
	Health Resources and Services - Maternal and Child Health Services Block Grant[c]	Public service	9/30/83	none
Office of Community Services	Community Service - Community Services Block Grants[c]	Public service	9/30/83	101b
Office of Human Development Services	Social Services Block Grants[c]	Public service	9/30/83	101b

Funding authority ($000)	Spending as of 9/30/83		Spending as of 3/31/84		Spending as of 6/30/84[a]		Spending as of 6/30/85	
	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds
$50,000	$527	1.1	$2,076	4.2	$6,053	12.1	$29,951	59.9
60,000	0	0.0	4,776	8.0	5,795	9.7	20,775	34.6
50,000	2,500	5.0	22,716	45.4	35,608	71.2	49,625	99.3
5,000	0	0.0	0	0.0	801	16.0	3,099	62.0
40,000	0	0.0	0	0.0	0	0.0	0	0.0
100,000	20,000	20.0	49,299	49.3	67,983	68.0	96,667	96.7
50,000	10,000	20.0	24,649	49.3	33,991	68.0	48,333	96.7
50,000	29,337	58.7	48,113	96.2	48,496	97.0	48,879	97.8
50,000	50,000	100.0	50,000	100.0	50,000	100.0	50,000	100.0
125,000	24,313	19.5	86,161	68.9	103,252	82.6	122,415	97.9
30,000	10,995	36.7	16,472	54.9	19,964	66.5	27,530	91.8
15,560	0	0.0	0	0.0	0	0.0	0	0.0
875	56	6.4	571	65.3	626	71.5	746	85.3
39,000	3,196	8.2	10,144	26.0	14,683	37.6	27,364	70.2
5,000	55	1.1	1,094[f]	21.9	1,756	35.1	4,423	88.5
65,000	30,457	46.9	45,638	70.2	55,319	85.1	65,000	100.0
105,000	49,200	46.9	73,723	70.2	89,361	85.1	105,000	100.0
25,000	9,163	36.7	13,727	54.9	16,637	66.5	22,941	91.8
225,000	170,000	75.6	194,171	86.3	209,586	93.1	225,000	100.0

Federal department/agency	Program/activity	Primary purpose[b]	Obligation deadline	Legislated provision for targeting funds
Department of Housing and Urban Development:				
Community Planning and Development	Urban Development Action Grants[c]	Public works	9/30/86	none
	Community Development Block Grants - Entitlement Cities	Public works	9/30/85	101b
	Community Development Block Grants - Small Cities	Public works	9/30/85	101b
Housing Programs	Subsidized Housing Programs: Annual Contributions for Assisted Housing[c]	Public works	Unlimited	none
Management and Administration	Salaries and Expenses (Office Reception and Representation Expenses)	Public service	9/30/83	none
Policy Development and Research	Research and Technology (Funding of Housing Assistance Council)	Public service	9/30/84	none
Department of the Interior:				
Bureau of Indian Affairs	Operation of Indian Programs - Indian Services (Housing)	Public works	9/30/83	none
	Construction	Public works	Unlimited	none
	Operation of Indian Programs - Natural Resources Development	Public works	9/30/83	none
Bureau of Reclamation	Operation and Maintenance	Public works	Unlimited	none
	Construction Program	Public works	Unlimited	none
	Loan Program	Public works	Unlimited	none
Fish and Wildlife Service	Resource Management	Public works	9/30/84	101a
National Park Service	Land and Water Conservation Fund	Public works	9/30/83	none
	Urban Park and Recreation Fund	Public works	9/30/83	101a
	Historic Preservation Fund	Public works	9/30/83	none
	Operation of the National Park System	Public works	12/31/83	101a
Department of Justice:				
Bureau of Prisons/ Federal Prison System	Buildings and Facilities: Modernization and Repair of Existing Facilities	Public works	Unlimited	none
U.S. Marshals Service	Support of U.S. Prisoners - Cooperative Agreement Program	Public works	Unlimited	none
Department of Labor:				
Employment and Training Administration	Employment and Training Assistance - Summer Youth Employment[c]	Training	9/30/83	none
	Employment and Training Assistance - Job Corps[c]	Public works	9/30/83	none
	Community Services Employment for Older Americans - Senior Community Service Employment Program[c]	Training	9/30/83	none
	Employment and Training Assistance - Services to Dislocated Workers[c]	Training	9/30/83	none

Funding authority ($000)	Spending as of 9/30/83		Spending as of 3/31/84		Spending as of 6/30/84[a]		Spending as of 6/30/85	
	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds
$244,000[g]	$12,200	5.0	$28,285	11.6	$38,542	15.8	$57,950	23.8
777,250	17,222	2.2	190,238	24.5	312,032	40.1	644,651	82.9
222,750	1,902	0.9	39,605	17.8	76,977	34.6	175,555	78.8
3,081,153[g]	21,000	0.7	42,535	1.4	56,267	1.8	100,000	3.2
2[d]	2	100.0	2	100.0	2	100.0	2	100.0
950[h]	950	100.0	950	100.0	950	100.0	950	100.0
30,000	2,053	6.8	3,592	12.0	7,950	26.5	15,468	51.6
64,450	225	0.3	1,195	1.9	2,453	3.8	7,075	11.0
20,000	1,533	7.7	2,147	10.7	4,304	21.5	10,009	50.0
21,000	12,774	60.8	17,943	85.4	19,472	92.7	21,000	100.0
65,000	31,593	48.6	45,701	70.3	55,351	85.2	65,000	100.0
30,000	8,096	27.0	14,017	46.7	18,864	62.9	28,335	94.5
20,000	1,810	9.1	7,905	39.5	10,918	54.6	18,650	93.3
40,000	152	0.4	4,004	10.0	20,599	51.5	38,188	95.5
40,000	25	0.1	1,708	4.3	19,284	48.2	39,351	98.4
25,000	47	0.2	1,668	6.7	12,768	51.1	24,841	99.4
25,000	5,605	22.4	15,164	60.7	18,753	75.0	24,083	96.3
60,000	516	0.9	3,496	5.8	4,101	6.8	6,929	11.5
20,000	232	1.2	1,819	9.1	2,952	14.8	10,722	53.6
100,000	90,000	90.0	94,395	94.4	97,197	97.2	100,000	100.0
32,400	7,138	22.0	18,240	56.3	25,320	78.1	32,400	100.0
37,500	8,262	22.0	21,112	56.3	29,306	78.1	37,500	100.0
85,000	21,300	25.1	49,295	58.0	67,147	79.0	85,000	100.0

Federal department/agency	Program/activity	Primary purpose[b]	Obligation deadline	Legislated provision for targeting funds
Railroad Retirement Board:				
	Ad Hoc Federal Payment for Rail Unemployment Benefits[c]	Income support	Unlimited	none
Small Business Administration:				
	Business Loan and Investment Fund: Small Business Loans (7a Loans)	Public works	Unlimited	101a
	Business Loan and Investment Fund: Certified Development Company Loans (503 Loans) - Capital Funds[c]	Public works	Unlimited	101a
	Salaries and Expenses: Small Business Development Center (21a Grants)	Public works	Unlimited	101a
Tennessee Valley Authority:				
	Tennessee Valley Authority Fund	Public works	Unlimited	none
Department of Transportation:				
Federal Aviation Administration	Grants-in-Aid for Airports (Airport and Airway Trust Fund)	Public works	9/30/83	101b
Federal Highway Administration	Federal Aid Highway Program (Federal-Aid Highways and Highway Safety Construction Programs)[c]	Public works	9/30/83	none
	Highway Widening Demonstration Project	Public works	Unlimited	none
Federal Railroad Administration	Grants to the National Railroad Passenger Corporation (AMTRAK)	Public works	Unlimited	101a
National Highway Traffic Safety Administration	Operations and Research: Presidential Commission on Drunk Driving	Public service	Unlimited	none
Urban Mass Transportation Administration	Urban Mass Transportation Fund	Public works	Unlimited	101a
	Mass Transportation Capital Fund[c]	Public works	9/30/86	none
Department of the Treasury:				
U.S. Customs Service	Operation and Maintenance, Air Interdiction Program	Public service	9/30/83	none
Veterans Administration:				
Department of Medicine and Surgery	Maintenance and Repair of Medical Facilities[c]	Public works	9/30/83	101a
Total				

Funding authority ($000)	Spending as of 9/30/83		Spending as of 3/31/84		Spending as of 6/30/84[a]		Spending as of 6/30/85	
	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds	Amount ($000)	Percent of funds
$125,750	$67,758	53.9	$85,998	68.4	$97,630	77.6	$109,022	86.7
50,000	10,860	21.7	29,281	58.6	35,182	70.4	50,000	100.0
2,000	1,078	53.9	1,368	68.4	1,553	77.7	1,734	86.7
50,000	48,962	97.9	48,962	97.9	48,962	97.9	48,962	97.9
40,000	13,447	33.6	25,447	63.6	32,008	80.0	40,749	101.9
150,000[d]	11,062	7.4	62,506	41.7	83,291	55.5	135,425	90.3
275,000[d]	35,448	12.9	91,740	33.4	128,466	46.7	211,750	77.0
33,000	58	0.2	2,702	8.2	3,590	10.9	9,068	27.5
80,000	7,200	9.0	26,636	33.3	33,471	41.8	58,370	73.0
100[h]	52	52.0	59	59.0	64	64.0	69	69.0
132,650	0	0.0	32,497	24.5	43,223	32.6	74,661	56.3
229,000[g]	29,518	12.9	76,394	33.4	106,977	46.7	176,330	77.0
3,750	102	2.7	536	14.3	2,098	55.9	3,661	97.6
75,000	45,000	60.0	58,184	77.6	66,592	88.8	75,000	100.0
$9,028,782	**$1,319,343**	**14.6**	**$2,382,638**	**26.4**	**$3,062,229**	**33.9**	**$4,486,756**	**49.7**

[a]Expenditure data for 6/30/84 are interpolated for all programs and activities.

[b]The primary purpose is based on our interpretations of descriptions contained in the act and other documents describing the programs.

[c]Expenditure data are based on estimates provided by the Office of Management and Budget. Data for 3/31/84, 6/30/84, and 6/30/85 are interpolated.

[d]Funds made available by increasing existing obligation authority.

[e]Data provided by the department for these two programs were combined. The expenditure estimates for each program are based on their initial funding authorities.

[f]An interpolation.

[g]Funds made available by disapproval of proposed deferral of prior appropriation.

[h]Funds made available by redirecting previously appropriated funds.

Source: Federal departments and agencies except as noted.

Methodology Used to Estimate Expenditure Data

Our estimates of the funds spent by the 77 programs and activities to which funds were made available by the Emergency Jobs Appropriations Act are based on (1) expenditure data provided by federal departments and agencies and (2) estimates made by the Office of Management and Budget (OMB). Because of the time that would have been required, we did not independently verify the accuracy of the expenditure data provided by the departments and agencies and estimated by OMB. We did, however, discuss with federal officials any apparent discrepancies or errors found in the data and resolved them.

Expenditure Data Used for 55 Programs and Activities

Our expenditure estimates for 55 programs and activities are based on data provided by federal departments and agencies for the following dates: September 30, 1983; March 31, 1984; September 30, 1984; March 31, 1985; and June 30, 1985. The estimates as of June 30, 1984, for these 55 programs and activities were made by taking a linear interpolation of the March 31, 1984, and September 30, 1984, data.

OMB Estimates Used for 22 Programs and Activities

Data on the expenditure of Emergency Jobs Act funds were not reported by federal departments and agencies for 22 programs and activities because either (1) the funds were commingled with existing funds and were not accounted for separately, or (2) a significant amount of effort would have been required to compile the data. Our expenditure estimates for these programs and activities are based on projections made by OMB soon after the act was passed. OMB had projected the expenditure of the funds made available by the act for the end of fiscal years 1983 through 1988. To assess the reasonableness of using OMB's projections as expenditure estimates for the 22 programs and activities, we conducted a regression analysis and a Pearson product-moment correlation test of OMB's projections and federal departments' and agencies' reported expenditure data for 35 other programs and activities for which we had data from both sources.[1] These statistical tests indicated that there was a close correlation between the two sets of data and that OMB's projections tended to be slightly greater than the expenditure data reported.

The expenditure estimates for the 22 programs and activities as of September 30, 1983, and September 30, 1984, are OMB's projections for these dates. The estimates for March 31, 1984, are based on an interpolation between the September 30, 1983, and September 30, 1984, projections

[1]A regression analysis and a Pearson product-moment correlation test are mathematical processes that can be used to determine the statistical relationships between two variables.

for the 22 programs and activities, using the rate at which funds were spent during the same period by the programs and activities for which expenditure data were provided by federal departments and agencies. We estimated the June 30, 1984, expenditures by taking a linear interpolation of the March 31, 1984, and September 30, 1984, estimates. Our expenditure estimates for June 30, 1985, which represent three-quarters of fiscal year 1985, were determined by taking 75 percent of the spending OMB projected for that fiscal year.

Methodology Used to Estimate Employment Effects of the Emergency Jobs Act and Other Job Creation Approaches

Our estimates of the employment effects attributable to the Emergency Jobs Act and alternative job creation approaches were generated using a widely accepted macroeconomic model of the United States' economy developed by Data Resources, Inc. (DRI). This model captures the relationships between aggregate economic variables by using approximately 1000 equations, which have been formulated based on both economic theory and historical behavior.

The model can be used to simulate hypothetical changes in one or more government policy instruments, such as federal spending or the supply of money, and their effect on economy-wide variables, such as employment, real gross national product, and interest rates. In the DRI model, changes in federal spending affect total employment in the short run by changing GNP. The difference between potential GNP (a measure of what the economy could produce if all resources currently available were being used productively) and actual GNP (a measure of what the economy actually is producing at a given time) determines the unemployment rate. For a given size of the labor force, the unemployment rate fixes the number of people unemployed and then the number employed.

To estimate the employment effects of the Emergency Jobs Act, we first solved a baseline simulation of the DRI model, assuming that the act had not been passed. The only historical values that we changed in this simulation were those of the federal expenditure variables. The adjusted series of federal expenditures was constructed by subtracting the Emergency Jobs Act funds actually spent, from the time the act became law until June 1985, from the historical expenditure values.[1] The employment attributable to the act was derived by taking the difference between the quarterly employment levels generated by the model using (1) the historical federal expenditure values for when the act was in effect and (2) the adjusted federal expenditure values that assumed the act had not been passed.

We also used the model to simulate the effect on employment levels of spending Emergency Jobs Act funds at a faster rate, with enactment either in March 1983 or earlier in the economic cycle, March 1982. Each of these alternatives was simulated separately and compared with the baseline simulation, which used our adjusted series of values for federal expenditures. The estimates of the employment attributable to each

[1]Our estimates of the funds spent in each quarter are based on the expenditure figures reported by the federal departments and agencies and estimated by OMB.

alternative were computed as the difference between the quarterly employment levels generated by the model using the baseline series of federal expenditures and those generated when simulating each alternative.

Our first alternative simulation estimated the employment that would have resulted had all Emergency Jobs Act funds been spent within the first year of the act, between the second quarter of 1983 and the first quarter of 1984. Our second alternative simulated the effects of the act being passed in March 1982, when the recession could first have been recognized—after 2 successive quarters of declining real GNP. We assumed that spending would have begun in the second quarter of 1982 and ended in the first quarter of 1983. Each of the first two simulations assumed that the money actually made available to HUD's Assisted Housing Program would have been redirected to the other programs and activities funded by the act and that all programs and activities would then have been able to spend their funds in 1 year.

Two other simulations assumed that the Assisted Housing Program would have been funded and took into consideration the relatively slow rate at which its $3 billion would have been spent. In each of these simulations, we assumed that about $6 billion, rather than about $9 billion, would have been spent in the first year. One of the alternatives simulated a program enacted in March 1983, and the second assumed it would be enacted in March 1982.

GAO Reports on Projects Awarded Emergency Jobs Act Funds in Six Geographical Areas

Report	Report no.	Date issued
Projects Funded in Northeast Texas by the Emergency Jobs Appropriations Act of 1983	GAO/HRD-85-42	Mar. 26, 1985
Projects Funded in the Montgomery, Alabama, Metropolitan Area by the Emergency Jobs Appropriations Act of 1983	GAO/HRD-85-59	May 7, 1985
Projects Funded in Fresno County, California, by the Emergency Jobs Appropriations Act of 1983	GAO/HRD-85-90	Aug. 27, 1985
Projects Funded in South Central Georgia by the Emergency Jobs Appropriations Act of 1983	GAO/HRD-85-98	Sept. 25, 1985
Emergency Jobs Act of 1983: Projects Funded in the Lawrence-Haverhill, Massachusetts, Area	GAO/HRD-86-30	Dec. 6, 1985
Emergency Jobs Act of 1983: Projects Funded in the Cleveland, Ohio, Metropolitan Area	GAO/HRD-86-43	Jan. 13, 1986

Methodology Used to Review Projects in Six Geographical Areas

Between March and November 1984, we obtained information on projects that were awarded Emergency Jobs Appropriations Act funds in six geographical areas of the United States. More current information, as recent as October 1985, was obtained for some projects. The areas were selected based on criteria developed with the requester's office. These criteria were to include (1) a range of geographical areas, (2) areas of high and low unemployment as of March 1983, (3) rural and urban areas, and (4) different types of projects funded by the act, such as public service and public works activities.

The information we sought for each project included

- the project's nature and status;
- funds awarded and spent as of March 31, 1984, about 1 year after the act's passage;
- number and characteristics of people employed, such as ethnic background and gender;
- efforts made by federal, state, and local government officials and project managers to provide employment to unemployed persons; and
- benefits, other than short-term employment, provided and expected.

Because most federal departments and agencies and other entities that received Emergency Jobs Act funds were not required by the act to maintain data or report on the use of the funds, we were not able to obtain complete information for every project.

Selection of Areas and Projects

Our review of projects in the selected geographical areas was limited to those allocated funds from 61 of the 77 federal programs and activities to which funds were made available by the act. These programs and activities consisted of 48 in which federal departments and agencies selected projects and 13 in which state agencies that administer federally funded programs selected the projects to be funded. We did not include 16 programs and activities (1) for which the Congress made funds available by disapproving the administration's proposed deferral of prior appropriations or by earmarking existing appropriations for other purposes; (2) that were strictly humanitarian assistance and income support, such as an emergency food and shelter program, thus providing limited employment opportunities; and (3) whose funds were consolidated with other funds, thus precluding projects from being separately identified.

To obtain geographic diversity, we judgmentally selected six states with varying unemployment rates from different parts of the United States. For these six states, we obtained from federal departments and agencies lists of projects that they had selected as of February-March 1984 to receive Emergency Jobs Act funding. We did not include 4 of the 48 programs and activities in which the federal entities made the selection, because the project listings lacked sufficient detail and a significant amount of time would have been required to identify specific project locations. Based on the criteria developed with the requester's office and projects identified within the six states, we selected the areas listed in table V.1.

Table V.1: Six Geographical Areas Examined by GAO

Geographical area	Area type	March 1983 unemployment rate (percent)
Montgomery, AL	Urban	12.9
Fresno County, CA	Urban	18.4
Seven counties in northeast Texas, near Texarkana	Rural	14.7
Lawrence-Haverhill, MA	Urban	8.8
Five counties in south central Georgia, near Valdosta	Rural	8.6
Cleveland, OH	Urban	12.6

In addition to the 48 programs and activities for which federal departments and agencies selected projects, there were 13 programs and activities in which states were responsible for selecting projects to be allocated funds made available by the act. We interviewed state officials administering these federally sponsored programs and activities to identify and obtain information on other projects in these six geographical areas so as to include them in our review. We did not include projects in which (1) other funds were awarded to the projects and information on Emergency Jobs Act funds was not separately identifiable and (2) other areas were served and funds benefiting only the area were not separately identifiable.

Information Sought

Having identified the projects awarded Emergency Jobs Act funds in the six areas, we obtained information about each project as of March 31, 1984. To obtain the project information, we interviewed federal, state, and local government officials and project managers; reviewed their records on the projects; and visited projects.

Project Status

We established three categories—completed, partially completed, and not started—to reflect the status of each project as of March 31, 1984. If work on the project site was finished or funds were reported as fully spent as of March 31, 1984, we classified the project as completed. It was classified as partially completed if any work had begun or project funds had been spent before March 31, 1984, and funds remained to be spent on the project. We classified a project as not started if work on the project site had not begun and no funds had been spent as of March 31, 1984. The allocation and expenditure information obtained is as reported by federal, state, or local government officials or project managers.

Employment Data

From each project manager, we requested employment data, including the number of people employed, their ethnic backgrounds and gender, the number of hours they worked, the duration of their employment, and their employment status before being hired. Because most federal departments and agencies and entities that received Emergency Jobs Act funds were not required by the act to maintain data or report on the use of the funds, detailed employment information was not readily available for many projects and would have required a significant effort to obtain or develop. In cases in which data were not readily available, we asked project officials to make estimates for each category of employment information.

Efforts to Provide Employment Opportunities

Because one objective of the act was to provide employment opportunities to the unemployed, we discussed with federal, state, and local officials and project managers the efforts made to hire such individuals. Because of the limited information available, we did not attempt to assess whether these efforts were successful.

Project Benefits

To determine project benefits provided and expected, we interviewed project managers and federal, state, and local officials; visited and observed projects; and reviewed project documentation. We were interested in identifying benefits other than the short-term employment opportunities—such as construction, humanitarian assistance, and long-term employment opportunities—created with Emergency Jobs Act funds.

Methodology for Questionnaires Administered in 10 Programs

To obtain detailed information about some of the 77 programs and activities that had funds made available by the Emergency Jobs Appropriations Act, we selected 10 programs and mailed questionnaires to officials of projects that were awarded funds from each. These programs were appropriated about $1.6 billion, or 18 percent of the act's funds. The questionnaires were used to obtain detailed information about the projects funded, including: when funds were spent; how many people were employed; characteristics of those employed; efforts made to provide jobs to the unemployed; and benefits provided such as the provision of health services to communities. The questionnaire results are not necessarily representative of other projects, programs, or activities to which funds were made available by the act.

Selection of 10 Programs

The 10 programs included in our questionnaire survey and related information about each appear in table 1.2. Factors we considered in selecting these programs included (1) the availability of a complete list of projects from federal departments and agencies, (2) the inclusion of different federal departments and agencies, (3) provisions for distributing funds, such as allocating funds to high unemployment areas, (4) the different types of programs and activities, such as public service and public works, and (5) the amount of funds made available by the act.

Selection of Projects for Sample

For each of the 10 programs, the respective federal department or agency provided a list of projects funded as of February-March 1984. Projects were randomly selected from these lists for nine of the programs. Because in three programs more than one type of project was funded, we stratified our samples in them to increase the chances that each kind of project would be represented in our sample and to reduce chances for sampling errors.[1] Because a small number of projects were awarded funds in the tenth program—the Department of Transportation's Urban Mass Transportation Fund—every project was surveyed. The universe of projects, the sample size selected, and the number of usable questionnaires received for each program, as well as the strata for the three programs that funded different types of projects, are shown in table VI.1.

[1]A sampling error is a measure of the expected difference between the value found in a probability sample and the value of the same characteristic that would have been found by examining the entire universe. Sampling errors are always stated at a specific confidence level.

Table VI.1: Universe, Sampling Plan, and Questionnaire Responses for 10 Programs Surveyed

Program	Stratum	Universe of projects	Survey sample	Usable returned questionnaires
Rural Water and Waste Disposal Loans		265	100	60
Corps' Operation and Maintenance		454	95	89
	General	(312)	(65)	(59)
	Temporary	(142)	(30)	(30)
Corps' Construction		199	90	84
Public Library Construction		459	106	90
Home Health Care		100	74	70
	Development and expansion	(69)	(48)	(46)
	Training	(31)	(26)	(24)
CDBG—Entitlement Cities		720	185	171
	Cities	(622)	(125)	(115)
	Counties	(98)	(60)	(56)
Indian Housing		93	59	47
Operation of National Parks		541	123	109
Airport Improvements		260	100	84
Urban Mass Transportation		18	18	15
Total		**3,109**	**950**	**819**

Two Questionnaires Designed

Because HUD's CDBG—Entitlement Cities Program was significantly different from the other nine, we designed two questionnaires to gather information on the projects awarded funds. We used one questionnaire to collect information on individual projects for the nine programs. The second questionnaire, administered to community officials rather than individual project managers, was similar to the first but requested aggregate information on multiple projects funded with the CDBG—Entitlement Cities moneys. Because the act required that detailed quarterly reports on the use of its funds be provided to the appropriate committees of the Congress, HUD required each community official to report aggregate information on the projects awarded funds in that official's jurisdiction. Consequently, obtaining information on individual projects for this program would have required a significant effort on the part of community officials.

Copies of the questionnaire we mailed to officials who received funds from the nine programs and the questionnaire we used for the CDBG—Entitlement Cities program appear in appendixes VII and VIII, respectively.

Administration of the Questionnaires

We mailed the questionnaires to officials of projects funded by the nine programs in March 1985 and to the CDBG—Entitlement Cities program in May 1985. If we did not receive a response, we sent questionnaire recipients up to three letters encouraging them to return a completed questionnaire. Additionally, for programs in which the follow-up letters did not increase the response rate to our targeted 80 percent, we attempted to encourage a response by either (1) telephoning the questionnaire recipient or (2) asking federal department and agency officials to encourage a response. Because several projects in our sample were cancelled or the funds had been reallocated to other projects, we did not include them in the respondent population for each program provided in table VI.1. We concluded our efforts to obtain an 80-percent response rate in November 1985.

Our initial review of returned questionnaires revealed incomplete and potentially inaccurate responses to some important questions, such as those requesting employment and expenditure data. In such cases, we telephoned respondents to clarify, correct, or complete their responses. These follow-up efforts were completed by January 1986.

Because of the significant amount of time that would have been required, we did not independently verify the accuracy of the data obtained from the questionnaires. We did, however, discuss the questionnaire results with the respective federal department and agency officials of each program surveyed, and we included their comments and observations in the report where appropriate.

Estimates of Employment and Expenditure Data

Our estimates of the expenditure and employment data for each of the 10 programs surveyed appear in tables VI.2 and VI.3. For nine of these programs, in which we selected a sample of projects to survey, the estimates were projected from the questionnaire responses received from the project officials. Because questionnaires were not returned for every project sampled, and some respondents who returned questionnaires did not provide the data requested, our expenditure and employment estimates are valid for only a portion of the universe of projects funded by each of the nine programs. As provided in the tables, the estimates for

each of the nine programs have sampling errors at the 95-percent confidence level. Because all projects were surveyed in the tenth program, Urban Mass Transportation, we used the responses in the returned questionnaires for our expenditure and employment estimates.

Questionnaire recipients were asked to estimate the number of people provided jobs with the Emergency Jobs Act funds spent on their projects. In some cases, projects received additional funds from other sources, and questionnaire respondents did not always separately account for the employment provided only with Emergency Jobs Act funds. To estimate the employment attributable to the act in these cases for 9 of the 10 programs, we calculated the ratio of the Emergency Jobs Act funds spent to all funds spent and applied this ratio to the total employment reported for March and September 1984. For respondents who did not report on the Emergency Jobs Act funds spent on their projects in these nine programs, we used a ratio of the act's funds to all funds awarded to the project. Because we did not request detailed information on other funds awarded to projects for the tenth program, HUD's CDBG—Entitlement Cities, the employment estimates for this program are based on only those respondents accounting for employment provided with Emergency Jobs Act funds.

We also asked questionnaire recipients to provide information on the people employed with Emergency Jobs Act funds, such as their gender, ethnicity, and previous employment status. The methodology that we used to estimate total employment was also used to estimate these data in cases in which respondents did not account separately for those employed with only Emergency Jobs Act funds. Because a number of questionnaires did not contain complete information on those employed, the projections from these data had large sampling errors and, consequently, are not reported. The data provided in the report on those employed are the actual questionnaire responses and, as such, are not necessarily representative of each program.

Table VI.2: Estimated Expenditures of Emergency Jobs Act Funds for 10 Programs as of March 31 and September 30, 1984

	Expenditures (est.) as of March 31, 1984[a]			Expenditures (est.) as of September 30, 1984[a]		
Program	Percent of universe projected to	Allocated[b]	Spent[b]	Percent of universe projected to	Allocated[b]	Spent[b]
Rural Water and Waste Disposal Loans	60	$90,559,245 (19,270,091)	$480,805 (390,946)	60	$90,559,245 (19,270,091)	$6,297,979 (3,262,612)
Corps' Operation and Maintenance	93	169,444,155 (65,573,915)	150,371,940 (59,184,107)	94	169,683,102 (65,635,683)	166,278,164 (65,506,144)
Corps' Construction	92	93,203,028 (64,484,546)	78,592,470 (55,572,464)	92	93,203,028 (64,484,546)	90,621,283 (64,481,898)
Public Library Construction	84	39,449,335 (8,892,547)	2,669,938 (1,875,544)	82	37,482,001 (8,628,069)	10,954,039 (3,435,188)
Home Health Care	95	4,878,579 (310,894)	1,822,968 (171,897)	95	4,878,579 (310,894)	3,908,033 (292,016)
CDBG—Entitlement Cities	92	632,901,936 (200,586,790)	181,058,998 (42,390,162)	92	632,901,936 (200,586,790)	377,811,461 (111,253,358)
Indian Housing	78	27,306,919 (8,725,368)	18,272,364 (8,788,503)	78	27,306,919 (8,725,368)	25,603,880 (8,760,913)
Operation of National Parks	88	27,941,352 (7,169,379)	18,180,217 (4,921,562)	89	29,009,137 (7,303,570)	27,565,094 (7,193,099)
Airport Improvements	80	125,772,124 (22,007,120)	40,288,786 (10,076,181)	79	124,014,582 (22,054,608)	78,490,178 (15,282,951)
Urban Mass Transportation[c]	•	98,172,615 (—)	25,837,797 (—)	•	98,172,615 (—)	40,027,799 (—)

[a]Estimates are based on the sample size and responses for each program and may differ from the expenditure data reported or estimated by federal departments and agencies included in app. I.

[b]The amounts in parentheses reflect the sampling error at the 95-percent confidence level.

[c]Data are not projected for this program, nor is a sampling error provided, because we surveyed all 18 projects funded by the program. The data provided are based on 14 of the 18 projects.

Table VI.3: Estimated People Employed With Emergency Jobs Act Funds in 10 Programs as of March 31 and September 30, 1984

Program	Percent of universe projected to	People employed as of March 1984 (est.)[a]	Percent of universe projected to	People employed as of September 1984 (est.)[a]
Rural Water and Waste Disposal Loans	60	168 (79)	60	825 (506)
Corps' Operation and Maintenance	92	6,822 (1,646)	92	7,785 (2,010)
Corps' Construction	92	2,421 (478)	92	2,678 (521)
Public Library Construction	84	575 (366)	82	2,270 (616)
Home Health Care	92	518 (58)	92	734 (84)
CDBG—Entitlement Cities	57	35,518 (18,708)	57	63,527 (43,272)
Indian Housing	76	3,171 (2,073)	76	3,753 (2,066)
Operation of National Parks	86	3,458 (588)	85	3,915 (559)
Airport Improvements	75	2,404 (605)	76	4,295 (819)
Urban Mass Transportation[b]	•	466 (—)	•	667 (—)

[a]The amounts in parentheses reflect the sampling error at the 95-percent confidence level.

[b]Data are not projected for this program, nor is a sampling error provided, because we surveyed all 18 projects funded by the program. The data provided are based on 15 of the 18 projects.

Questionnaire Administered to Nine Programs

SURVEY OF PROJECTS FUNDED BY THE EMERGENCY JOBS APPROPRIATIONS ACT OF 1983

U.S. GENERAL ACCOUNTING OFFICE

SURVEY OF PROJECTS FUNDED BY THE
EMERGENCY JOBS APPROPRIATIONS ACT OF 1983

CORRECTIONS

ID (1-5)
CARD 01 (6-7)

$ (8-15)

The first label above should contain the mailing address of the project funded by the Emergency Jobs Act (Public Law 98-8). This project was randomly selected from a listing maintained by the federal department responsible for the program.

The second label should indicate the federal department and program funding the project, the name (and number) of the project, and the initial amount of the award as reported by the federal department.

If any information is incorrect, please make changes in the space provided to the right of the labels.

Before you begin to answer this questionnaire, you may want to briefly review it to determine the sources of information you will need and the people you will need to contact.

Please provide the name, title, and telephone number of the individual we should contact if additional information is required regarding your responses.

Name: _____

Title: _____

Telephone number: ( ) _____

DEFINITIONS OF TERMS USED IN THIS QUESTIONNAIRE.

Award

An allocation, grant, or contract used to fund the project.

Project

An activity which is totally or partially funded by the Emergency Jobs Act. Some examples of a project include constructing a building, repairing and maintaining a facility, or providing health care services. Also, a project may include more than one activity. For example, a project may involve repairs to a facility which include such activities as repairing a roof, painting a wall, and replacing an air conditioning unit within the facility.

BEST COPY AVAILABLE

I. PROJECT INFORMATION

1. Listed below are different types of projects funded by the Emergency Jobs Act. Indicate the one that corresponds to the main purpose of your project by inserting a "1" in front of the category. If you have a second purpose insert a "2" in front of that category.

1. _____ Public service - health, social, etc.

2. _____ Public works - construction

3. _____ Public works - repair and maintenance

4. _____ Procurement of materials or supplies

5. _____ Other (PLEASE SPECIFY.) _____

_____

2. During what month and year were Emergency Jobs Act funds approved for your project? (22-25)

_____ _____
(month) (year)

3. After the Emergency Jobs Act funds were approved for your project, were any subsequent changes made to the initial amount of the award? (CHECK ONE.) (26)

1. [ ] Yes (GO TO QUESTION 4.)

2. [ ] No (GO TO QUESTION 5.)

4. In the table below, indicate the amount of the initial award, any subsequent increases or decreases to the initial award, and dates of these adjustments. The "TOTAL" block should equal the current amount of Emergency Jobs Act funds approved for the project.

Transaction	Date (month/year)	Amount	
Initial award		$	(27-39)
Increases		+$	(40-52)
		+$	(53-65)
Decreases		-$	(66-78)
		-$	(79-91)
	TOTAL	$	(21-34)

2

9

5. Did you receive funds for this project from sources other than the Emergency Jobs Act? These funds may have been received from the federal department awarding Emergency Jobs Act funds, or from other federal, state, local or private entities? (CHECK ONE.) (30)

1. [ ] Yes (GO TO QUESTION 6.)

2. [ ] No (GO TO QUESTION 8.)

6. In the table below, indicate the source, program name, approval date, and the amount of other funds awarded. Include funds from all sources that were or are to be used for this project, whether they were received or awarded before or after the date indicated in question 2.

	Source (CHECK ONE.)							
	Government			Private				
	Federal (1)	State (2)	Local (3)	(4)	Program Name	Approval Date (month/year)	Amount	
(1)							$	(31-44)
(2)							$	(45-58)
(3)							$	(59-72)
(4)							$	*03 (8-21)
(5)							$	(22-35)
						TOTAL	$	(36-45)

7. Did the availability of Emergency Jobs Act funds stimulate the availability of funds from other sources? (CHECK ONE.) (46)

1. [ ] Yes

2. [ ] No

8. Indicate the cumulative amount of Emergency Jobs Act funds and funds from other sources expended from the beginning of the project through:

(1) March 31, 1984;
(2) September 30, 1984; and
(3) the end of the project (estimate if not completed)

If you cannot separately account for Emergency Jobs Act funds, provide the total amount expended from all sources of funding and enter this information in the total column.

	Emergency Jobs Act funds	Funds from other sources	TOTAL FOR ALL SOURCES	
March 31, 1984	$	$	$	(47-74)
September 30, 1984	$	$	$	*04 (8-35)
The end of the project	$	$	$	(36-63)

9. Indicate the percent of the total funds from all sources that have been/will be expended on labor, materials, and administration at the end of the project. (USE ACTUAL FIGURES IF AVAILABLE, OTHERWISE ESTIMATE.)

Labor (salaries and wages)	_____ %	(64-66)
Materials (equipment and supplies)	_____ %	(67-69)
Administration (accounting, legal, travel costs, overhead)	_____ %	(70-72)
	100 %	

ADDITIONAL DEFINITIONS

Planning

Work required to develop a project from an idea to the state where actual work can begin on the project. Examples include developing architectural designs and plans, soliciting contract bids, and identifying areas to provide health care services.

10. What percent of the project was planned before the award of Emergency Jobs Act funds was approved? (CHECK ONE.) (73)

1. [ ] 100%
2. [ ] 76 - 99%
3. [ ] 51 - 75%
4. [ ] 26 - 50%
5. [ ] 1 - 25%
6. [ ] 0%

11. Is planning currently completed for this project? (CHECK ONE.) (74)

1. [ ] Yes
2. [ ] No

12. How much calendar time has been spent to date planning this project (whether or not planning is complete)? (CHECK ONE.) (75)

1. [ ] Less than 1 month
2. [ ] At least 1 month, but less than 3 months
3. [ ] At least 3 months, but less than 6 months
4. [ ] At least 6 months, but less than 12 months
5. [ ] 12 months or more

13. How much calendar time is normally required to plan a project of this type? (CHECK ONE.) (76)

1. [ ] Less than 1 month
2. [ ] At least 1 month, but less than 3 months
3. [ ] At least 3 months, but less than 6 months
4. [ ] At least 6 months, but less than 12 months
5. [ ] 12 months or more
6. [ ] Uncertain, no prior experience

Project Start Date

The day when work physically begins at the project site, such as ground breaking at a construction site, laborers' or machine operators' first day on the project site, or the first day that services are delivered.

14. During what month and year did/will work start at the project site? (If the project consists of more than one activity, indicate the month and year the first activity did/will start.) *05 (8-11)

_____ (month) _____ (year)

15. Did the availability of Emergency Jobs Act funds influence the start of this project? (CHECK ONE.) (12)

1. [ ] It accelerated the start date
2. [ ] It caused no change in the start date
3. [ ] It delayed the start date

Project Completion Date

The day when all construction, repairs, or services on site are finished.

16. During what month and year was/will the project be completed? (If the project consists of more than one activity, indicate the month and year that the first activity was/will be completed.) (13-16)

_____ (month) _____ (year)

17. Did this project begin later than planned? (CHECK ONE.) (17)

1. [ ] Yes (GO TO QUESTION 18.)

2. [ ] No (GO TO QUESTION 19.)

18. Listed below are a number of conditions which could have resulted in the project starting later than planned. For each condition indicate to what extent it contributed to a later start. (CHECK ONE BOX FOR EACH CONDITION.)

Condition	Little or No Extent (1)	Some Extent (2)	Moderate Extent (3)	Great Extent (4)	Very Great Extent (5)	
(1) Grant or contract award delay						(18)
(2) Grant or contract requirements						(19)
(3) Matching fund availability						(20)
(4) Preliminary design requirements						(21)
(5) Inclement weather						(22)
(6) State or local restrictions						(23)
(7) Material and supply availabilities						(24)
(8) Other (SPECIFY.)						(25)

II. EMPLOYMENT INFORMATION

19. We need information on the number and characteristics of people that were hired with Emergency Jobs Act funds. If other sources of funds are used on this project and you are unable to separately account for Emergency Jobs Act funds, provide employment information for all sources of funds (including Emergency Jobs Act funds). This information is required both for that portion of the project for which you hired people and portions which were performed by a contractor. (26)

How will you be providing data? (CHECK ONE.)

1. [ ] Emergency Jobs Act funds only

2. [ ] All sources of funds (including Emergency Jobs Act funds)

20. From the beginning of the project through September 30, 1984, have you contracted to have work performed on this project? (CHECK ONE.) (27)

1. [ ] Yes (GO TO QUESTION 21.)

2. [ ] No (GO TO QUESTION 22.)

21. How many contractors of the following types have you used on this project?

	Number of contractors	
(1) Contractors who only provided supplies/materials to this project, but did not employ people who worked directly on this project		(28-29)
(2) Contractors who employed people who worked directly on this project		(30-31)
(3) Consultants who worked directly on this project and/or employed people who worked directly on this project		(32-33)

22. It is important that we provide the Congress with the most accurate employment information available regarding this project. Responses to the following questions, if possible, should be obtained from verifiable sources such as payroll, employment, or other types of records. If a contractor(s)/consultant(s) performed work on this project and you can not provide information from your office records on their personnel, please contact the contractor(s)/consultant(s) and request the information. We are only interested in contractor(s)/consultant(s) providing information regarding people who worked directly on this project (categories 2 and 3 in question 21). Contractors should provide information about any subcontractors they may have used. Also, information obtained from the contractor(s) should be from verifiable sources. If you or the contractor(s)/consultant(s) can not provide actual information, please provide reasonable estimates.

Please review question 23 and indicate here what source(s) of information you will use to respond to question 23. (CHECK ALL THAT APPLY.) (34-37)

1. [ ] Your records

2. [ ] Your estimates

3. [ ] Contractor's records

4. [ ] Contractor's estimates

23. We are interested in information for 2 periods of time, from (1) the beginning of the project through March 31, 1984 and (2) the beginning of the project through September 30, 1984. For each of the 8 questions in the table below, indicate the appropriate number of individuals in either the actual (based on payroll records, employment records, etc.) or the estimated column. If the information is not available or is unknown check the N/A column.

Be sure to provide data based on the funding source you indicated in question 19. Include those employed by you and by all contractors/consultants	From the beginning of the project through ...						
	March 31, 1984			September 30, 1984			
	Actual	Estimated	N/A	Actual	Estimated	N/A	
(1) Indicate how many different people have been employed on this project at any time during each time period specified.							(38-51)
(2) Indicate how many of those identified in (1) worked the following hours per week on the average:	•••••••• •••••••• ••••••••	•••••••• •••••••• ••••••••	••• ••• •••	•••••••• •••••••• ••••••••	•••••••• •••••••• ••••••••	••• ••• •••	
20 hours or less per week							(52-65)
21 - 32 hours per week							(66-79)
33 - 40 hours per week							*06 (8-21)
more than 40 hours per week							(22-35)
(3) Indicate how many of those identified in (1) worked a total of:	•••••••• ••••••••	•••••••• ••••••••	••• •••	•••••••• ••••••••	•••••••• ••••••••	••• •••	
less than 1 week							(36-49)
at least 1 week, but less than 4 weeks							(50-63)
at least 4 weeks, but less than 3 months							(64-77)
at least 3 months, but less than 6 months							*07 (8-21)
6 months or more							(22-35)
(4) Indicate how many of those identified in (1) were:	•••••••• ••••••••	•••••••• ••••••••	••• •••	•••••••• ••••••••	•••••••• ••••••••	••• •••	
Caucasian (not Hispanic)							(36-49)
Not Caucasian							(50-63)

23. (Continued)

	From the beginning of the project through ...						
	March 31, 1984			September 30, 1984			
	Actual	Estimated	N/A	Actual	Estimated	N/A	
(5) Indicate how many of those identified in (1) were:	******** ********	******** ********	*** ***	******** ********	******** ********	*** ***	
Male							(64-77) *08
Female							(8-21)
(6) Indicate how many of those identified in (1) were:	******** ********	******** ********	*** ***	******** ********	******** ********	*** ***	
Previously on the payroll of the government entity or the contractor							(22-35)
Newly hired specifically for the project							(36-49)
(7) Indicate how many of the newly hired identified in (6) were:	******** ********	******** ********	*** ***	******** ********	******** ********	*** ***	
Unemployed prior to being hired							(50-63)
Employed prior to being hired							(64-77)
(8) Indicate how many of those employed on this project were:	******** ********	******** ********	*** ***	******** ********	******** ********	*** ***	
Skilled - certain skills were required before being hired, such as those of a typist, bricklayer, or an architect							*09 (8-21)
Unskilled - certain skills were not required before being hired because the skills could be taught on-the-job, such as those of a site helper, janitor, or filing clerk							(22-35)

24. Did you or a contractor(s) respond to any parts of question 23 by using estimated information? (CHECK ONE.) (36)

1. [ ] Yes (GO TO QUESTION 25.)

2. [ ] No (GO TO QUESTION 26.)

25. Listed below are several reasons why you or a contractor(s) may have provided estimates for some or all of the parts in question 23. Indicate whether or not each reason applies. (CHECK ONE FOR EACH REASON.)

Reason	Yes	No	
(1) Information requested is not collected by your office; however, your experience with this type of project allowed you to give reasonable estimates			(37)
(2) Contractor(s) is responsible for hiring on this project, and you cannot contact the contractor; however, your experience with this type of project allowed you to give reasonable estimates			(38)
(3) Work performed on this project was witnessed by you and, as a result, you were able to provide reasonable estimates			(39)
(4) Information requested is not collected by the contractor(s); however, the contractor(s) experience with this type of project enabled the contractor(s) to give reasonable estimates			(40)
(5) Other (PLEASE SPECIFY.)			(41)

26. Did you or a contractor(s) respond to any parts of question 23 by using N/A (not available)? (CHECK ONE.) (42)

1. [ ] Yes (GO TO QUESTION 27.)

2. [ ] No (GO TO QUESTION 28.)

27. Listed below are several reasons why you or a contractor(s) may have indicated N/A (not available) for some or all of the parts in question 23. Indicate whether or not each reason applies. (CHECK ONE FOR EACH REASON.)

Reason	Yes	No	
(1) Information is not available from your office and reasonable estimates cannot be given			(43)
(2) Information is not available from the contractor(s) and reasonable estimates cannot be given			(44)
(3) Contractor(s) cannot be contacted and reasonable estimates cannot be given			(45)
(4) Other (PLEASE SPECIFY.)			(46)

III. EFFORTS TO HIRE THE UNEMPLOYED

Section 101(c) of the Emergency Jobs Act states, "The head of each Federal agency to which funds are appropriated or otherwise made available under this title, or States, or political subdivisions of States, which receive allotment of funds under this title shall to the extent practicable utilize such funds in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act." Further, the Act states, "It is the intent of the Congress that funds appropriated or otherwise made available under this title be obligated and disbursed as rapidly as possible so as to quickly assist the unemployed. . ."

28. Listed below are a number of instructions that you may have received regarding the use of the funds. (A) For each instruction, indicate whether you received the instruction from each type of government agency by indicating the month and year the instruction was received in the appropriate boxes. If the instruction was "not received at all", check the box so labeled. (B) If you received a given instruction and had a contractor(s) working on the project, indicate how many contractor(s) you informed of each instruction.

Instruction	A: Government Agency (ENTER MONTH/YEAR IN BOX.) Federal (1)	State (2)	Local (3)	Other (4)	Not received at all (5)	B: Number of contractors informed	
(1) Must hire the unemployed							(47-53)
(2) Should give preference in hiring the unemployed							(54-60)
(3) Must hire those who were unemployed at least 15 of the 26 weeks preceding the project start date							(61-67)
(4) Should give preference in hiring those unemployed at least 15 of the 26 weeks preceding the project start date							(68-74)
(5) Must to the extent practicable hire those who were unemployed at least 15 of the 26 weeks preceding March 24, 1983							*10 (8-14)
(6) Should to the extent practicable hire those who were unemployed at least 15 of the 26 weeks preceding March 24,1983							(15-21)
(7) Should expend funds as rapidly as possible							(22-28)
(8) Other (SPECIFY.)							(29-35)

29. If you received instructions and did not inform all of your contractors about the instructions, indicate which of the reasons below apply. (CHECK ALL THAT APPLY.) (36-39)

1. [ ] Instructions looked to be too difficult to implement
2. [ ] The government agency that issued the instructions did not require us to inform the contractor(s) of the instructions
3. [ ] Assumed that the contractor(s) would generally take these actions
4. [ ] Other (SPECIFY.) _____

_____

30. Who is responsible for hiring people for this project? (CHECK ONE.) (40)

1. [ ] You or your organization
2. [ ] Contractor(s)
3. [ ] Both of the above

If both you and a contractor(s) are responsible for hiring people for this project, the remaining questions in this section will require you to consolidate your responses with the contractor(s). For example, question 31 asks to what extent attempts were made by you and a contractor(s) to hire people who were unemployed for more than 26 weeks prior to March 24, 1983. If you made the attempt to "some extent" and the contractor(s) made it to a "great extent", then you should use your judgment and average the responses. In this case, you might say to a "moderate extent."

31. Listed below are a number of actions which could have been taken in hiring people for this project. Indicate the extent to which each was taken by you and any contractors (combined). (CHECK ONE BOX FOR EACH ACTION.)

Action taken	Very Great Extent (1)	Great Extent (2)	Moderate Extent (3)	Some Extent (4)	Little or no Extent (5)	Don't know (6)	
(1) Attempted to hire unemployed people regardless of length of unemployment							(41)
(2) Attempted to hire unemployed people who were unemployed for at least 15 of the 26 weeks prior to the start date							(42)
(3) Attempted to hire people unemployed for at least 15 of the 26 weeks prior to March 24, 1983							(43)
(4) Other (SPECIFY.)							(44)

32. To what extent do you believe that you and any contractors (combined) were successful in hiring the unemployed? (CHECK ONE.) (45)

1. [ ] Very great extent

2. [ ] Great extent

3. [ ] Moderate extent

4. [ ] Some extent

5. [ ] Little or no extent

6. [ ] Don't know

33. Please explain the reason(s) for your answer to question 32. (46)

IV. REPORTING

34. The following table lists four standard federal employment reports. For each, indicate (1) whether or not you or any contractors prepare the report. If such reports are prepared, indicate (2) the difficulty you or any contractors (combined) experiance in preparing the report, and (3) the average time required to prepare the report.

	(1) Prepare (CHECK ONE.)		(2) Difficulty in preparing (CHECK ONE.)					(3) Preparation time (CHECK ONE.)				
	Yes (1)	No (2)	Very Great Extent (1)	Great Extent (2)	Moderate Extent (3)	Some Extent (4)	Little or no Extent (5)	Less than 4 hours (1)	At least 4 hours but less than 8 (2)	At least 8 hours but less than 16 (3)	16 or more hours (4)	
(1) Department of Labor Monthly Employment Utilization Report (Form CC-257)												(47) (48) (49)
(2) Department of Labor Davis-Bacon Form W-H 347												(50) (51) (52)
(3) Equal Employment Opportunity Commission - EEO - 1												(53) (54) (55)
(4) Equal Employment Opportunity Commission - EEO - 4												(56) (57) (58)

35. Do you or any contractors prepare any employment reports for this project, other than those mentioned in question 34, which ask for information on the employees who were hired with Emergency Jobs Act funds? (CHECK ONE.) (59)

1. [ ] Yes (GO TO QUESTION 36.)

2. [ ] No (GO TO QUESTION 37.)

36. In the table below provide the following information for each of the employment reports you or any contractors prepare concerning employees who worked on this project.

-- 1. Report title
-- 2. Form number (use N/A if not applicable)
-- 3. Type of agency to which the report is sent (Federal, State, County, City or other)
-- 4. Frequency with which you or any contractors submit this information
-- 5. Type of information required in the report
-- 6. Difficulty you or any contractors experience in preparing the report
-- 7. Average time required to prepare the report

Use one column for each report

	REPORT (1)	(2)	(3)	
(1) Report title				
(2) Form number				
(3) Receiving agency (CHECK ALL THAT APPLY.)				
Federal				(60-62)
State				(63-65)
County				(66-68)
City				(69-71)
Other (SPECIFY.)				(72-74)
(4) Frequency submitted (CHECK ONE.)				
Weekly -1				
Monthly -2				
Quarterly -3				
Annually -4				
Other (SPECIFY.) -5				(75-77)

36. (Continued)

	REPORT (1)	(2)	(3)	
(5) Information required (CHECK ALL THAT APPLY.)	**********	**********	**********	*11
Number of employees				(8-10)
Number of hours worked				(11-13)
Ethnic/racial background				(14-16)
Gender				(17-19)
Previous employment status				(20-22)
Permanent/temporary employment status				(23-25)
Wages/Salaries				(26-28)
Job classification				(29-31)
Other (SPECIFY.)				(32-34)
(6) Difficulty in reporting (CHECK ONE.)	**********	**********	**********	
Little or no -1				
Some -2				
Moderate -3				
Great -4				
Very great -5				(35-37)
(7) Preparation time (CHECK ONE.)	**********	**********	**********	
Less than 4 hours -1				
At least 4 hours but less than 8 hours -2				
At least 8 hours but less than 16 hours -3				
16 or more hours -4				(38-40)

37. (1) If legislation similar to the Emergency Jobs Act were passed in the future, indicate to what extent each of the following requirements would be a burden singly and in combination.
(2) Indicate whether you or your organization would apply for funds if each of the following were required singly and in combination. If you do not have to apply to receive funds, so indicate.

Requirement	(1) Extent of burden (CHECK ONE FOR EACH REQUIREMENT.)					(2) Apply for funds (CHECK ONE FOR EACH REQUIREMENT.)						
	Little or no burden (1)	Some burden (2)	Moderate burden (3)	Great burden (4)	Very great burden (5)	Definitely yes (1)	Probably yes (2)	Neither yes nor no (3)	Probably not (4)	Definitely not (5)	Do not have to apply (6)	
(1) Hire the unemployed												(41-42)
(2) Hire those unemployed at least 15 of the 26 weeks prior to enactment of the legislation												(43-44)
(3) Prepare periodic employment reports												(45-46)
(4) Meet specific start and completion deadlines												(47-48)
(5) Combination of (1) - (4)												49-

V. OTHER

38. Listed below are a number of benefits which could be derived from your project. Indicate to what extent your project provided each. (CHECK ONE BOX FOR EACH BENEFIT.)

Benefit	Very Great Extent (1)	Great Extent (2)	Moderate Extent (3)	Some Extent (4)	Little or no Extent (5)	Don't know (6)	
(1) Productive employment for the unemployed							(51)
(2) Temporary employment for the unemployed							(52)
(3) Permanent employment for the unemployed							(53)
(4) Services to the community (e.g., health, social, etc.)							(54)
(5) Infrastructure repair or improvements							(55)
(6) Projects and construction of lasting value							(56)
(7) Aid in the prevention or elimination of slums or blight							(57)
(8) Benefits to low and moderate income citizens							(58)
(9) Other (SPECIFY.)							(59)

39. If you have additional comments on any of the questions, the act, or your project, please use the remaining space. (60)

Questionnaire Administered to HUD's CDBG—Entitlement Cities Program

SURVEY OF CDBG ENTITLEMENT COMMUNITIES
FUNDED BY THE EMERGENCY JOBS
APPROPRIATIONS ACT OF 1983

U.S. GENERAL ACCOUNTING OFFICE

SURVEY OF CDBG ENTITLEMENT COMMUNITIES
FUNDED BY THE EMERGENCY JOBS
APPROPRIATIONS ACT OF 1983

CORRECTIONS

ID (1-5)
CARD01 (6-7)
$ (8-16)

The first label above should contain the mailing address of the grantee receiving Emergency Jobs Act (Public Law 98-8) funds.

The second label should indicate the community receiving the Emergency Jobs Act grant and the initial amount of the award as reported by the Department of Housing and Urban Development (HUD).

If any information in the labels is incorrect, please make changes in the space provided to the right of the labels.

Before you begin to answer this questionnaire, you may want to briefly review it to determine the sources of information you will need and the people you will need to contact.

Please provide the name, title, and telephone number of the individual we should contact if additional information about your response is required.

Name: _____

Title: _____

Telephone number: ( ) _____

DEFINITIONS OF TERMS USED IN THIS QUESTIONNAIRE

Award

An allocation, grant, or contract used to fund the project.

Activity

A project or service which is totally or partially funded by your Emergency Jobs Act grant. Some examples of activities include construction and rehabilitation of public facilities; employment and health services; crime prevention; housing rehabilitation; financial assistance to businesses; and planning and overall administration of community development activities.

Activity Category

A standard HUD category that encompasses similar or related activities. For example, the Public Works and Facilities activity category includes activities such as the acquisition, construction, reconstruction, installation, or improvement of public facilities.

I. EXPENDITURE AND GENERAL ACTIVITY INFORMATION

1. During what month and year were you first notified by HUD that your community was awarded an Emergency Jobs Act grant supplementing your Entitlement Cities (Counties) Community Development Block Grant (CDBG)?
(17-20)

_____ (month) _____ (year)

2. After you were notified of your Emergency Jobs Act grant, were any changes made to the initial amount of the award? (CHECK ONE.)
(21)

1. [ ] Yes (GO TO QUESTION 3.)

2. [ ] No (GO TO QUESTION 4.)

3. In the table below, indicate the date and amount of the initial Emergency Jobs Act award (as reported in question 1), and the date and amount of any subsequent increases or decreases in the initial award. The "TOTAL" block should equal the current net amount of Emergency Jobs Act funds that were awarded.

TRANSACTION	DATE (month/year)	AMOUNT	
Initial award	/	$	(22-34)
Increases	/	+$	(35-47)
	/	+$	(48-60)
	/	+$	(61-73)
			*02
Decreases	/	-$	(8-20)
	/	-$	(21-33)
	/	-$	(34-46)
	TOTAL	$	(47-55)

4. For each activity category, indicate the cumulative amount of Emergency Jobs Act funds expended from the grant award date through: (A) September 30, 1983, (B) March 31, 1984, (C) September 30, 1984 and (D) March 31, 1985. If no funds were awarded or expended for an activity category, enter a "0" for that category. Also, if you can not provide separate information for each activity category, indicate the total amount expended in the total row (g. TOTAL).

ACTIVITY CATEGORY	FUNDS EXPENDED FROM THE GRANT AWARD DATE THROUGH . . . (A) SEPTEMBER 30, 1983	(B) MARCH 31, 1984	(C) SEPTEMBER 30, 1984	(D) MARCH 31, 1985	
a. Public Works and Facilities	$	$	$	$	*03 (8-43)
b. Public Services	$	$	$	$	(44-79) *04
c. Housing Rehabilitation	$	$	$	$	(8-43)
d. Financial Assistance to Businesses for Economic Development	$	$	$	$	(44-79) *05
e. Planning and General Administration	$	$	$	$	(8-43)
f. Other	$	$	$	$	(44-79) *06
g. TOTAL	$	$	$	$	(8-43)

5. For each activity category, indicate the (A) total amount and (B) date all of your Emergency Jobs Act funds have been/will be expended (if necessary, please estimate this information). If funds for an activity category were/will not be expended, enter a "0" for that category. Also, if you can not provide separate information for each activity category, provide the information in the total row (g. TOTAL).

ACTIVITY CATEGORY	(A) AMOUNT OF FUNDS EXPENDED	(B) DATE ALL FUNDS EXPENDED MTH/YR	
a. Public Works and Facilities	$	/	(44-56)
b. Public Services	$	/	(57-69) *07
c. Housing Rehabilitation	$	/	(8-20)
d. Financial Assistance to Businesses for Economic Development	$	/	(21-33)
e. Planning and General Administration	$	/	(34-46)
f. Other	$	/	(47-59)
g. TOTAL	$	/	(60-72)

6. For each activity category, indicate whether regular CDBG or any other non-Emergency Jobs Act funds (e.g., non-CDBG federal, state, local, or private funds) were expended on activities that received Emergency Jobs Act funds from the grant award date through: (A) September 30, 1983, (B) March 31, 1984, (C) September 30, 1984, and (D) March 31, 1985. If you can not provide separate information for each activity category, indicate whether funds were expended in the total row (g. TOTAL).

FUNDS EXPENDED FROM THE GRANT AWARD DATE THROUGH . . .

ACTIVITY CATEGORY	(A) SEPTEMBER 30, 1983				(B) MARCH 31, 1984				(C) SEPTEMBER 30, 1984				(D) MARCH 31, 1985				
	REGULAR CDBG FUNDS		OTHER NON-EMERGENCY JOBS ACT FUNDS		REGULAR CDBG FUNDS		OTHER NON-EMERGENCY JOBS ACT FUNDS		REGULAR CDBG FUNDS		OTHER NON-EMERGENCY JOBS ACT FUNDS		REGULAR CDBG FUNDS		OTHER NON-EMERGENCY JOBS ACT FUNDS		
	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	YES	NO	
a. Public Works and Facilities																	*08 (8-15)
b. Public Services																	(16-23)
c. Housing Rehabilitation																	(24-31)
d. Financial Assistance to Businesses for Economic Development																	(32-39)
e. Planning and General Administration																	(40-47)
f. Other																	(48-55)
g. TOTAL																	(56-63)

7. For each activity category, indicate the extent to which the availability of Emergency Jobs Act funds stimulated the availability of funds from other sources? If Emergency Jobs Act funds were not allocated to an activity category, check the NOT APPLICABLE column. (CHECK ONE FOR EACH ACTIVITY CATEGORY.)

ACTIVITY CATEGORY	VERY GREAT EXTENT (1)	GREAT EXTENT (2)	MODERATE EXTENT (3)	SOME EXTENT (4)	LITTLE OR NO EXTENT (5)	NOT APPLICABLE (6)	
a. Public Works and Facilities							(64)
b. Public Services							(65)
c. Housing Rehabilitation							(66)
d. Financial Assistance to Businesses for Economic Development							(67)
e. Planning and General Administration							(68)
f. Other							(69)

8. Indicate below the type(s) of additional funds that became available because of the availability of Emergency Jobs Act funds. (CHECK ALL THAT APPLY.) (70-73)

1. [ ] Federal funds (other than CDBG funds)

2. [ ] State funds

3. [ ] Local funds

4. [ ] Private funds

9. Were any activities funded by your Emergency Jobs Act grant that otherwise would not have been funded? (CHECK ONE.) (74)

1. [ ] Yes (GO TO QUESTION 10.)

2. [ ] No (GO TO QUESTION 11.)

10. For each activity category, indicate the percentage of activities funded by your Emergency Jobs Act grant that otherwise would not have been funded. If funds were not allocated to an activity category, check the NOT APPLICABLE column. (CHECK ONE FOR EACH ACTIVITY CATEGORY.)

ACTIVITY CATEGORY	PERCENTAGE OF EMERGENCY JOBS ACT FUNDED ACTIVITIES THAT OTHERWISE WOULD NOT HAVE BEEN FUNDED							
	100% (1)	76-99% (2)	51-75% (3)	26-50% (4)	1-25% (5)	0% (6)	NOT APPLICABLE (7)	
a. Public Works and Facilities								(75)
b. Public Services								(76)
c. Housing Rehabilitation								(77)
d. Financial Assistance to Businesses for Economic Development								(78)
e. Other								(79)

11. For each activity category, indicate to what extent the work (or services) start date was accelerated by the availability of Emergency Jobs Act funds. If funds were not allocated to an activity category, check the NOT APPLICABLE column. (CHECK ONE FOR EACH ACTIVITY CATEGORY.)

ACTIVITY CATEGORY	VERY GREAT EXTENT (1)	GREAT EXTENT (2)	MODERATE EXTENT (3)	SOME EXTENT (4)	LITTLE OR NO EXTENT (5)	NOT APPLICABLE (6)	*09
a. Public Works and Facilities							(8)
b. Public Services							(9)
c. Housing Rehabilitation							(10)
d. Financial Assistance to Businesses for Economic Development							(11)
e. Other							(12)

12. Did any activities start at a date later than originally planned? (CHECK ONE.) (13)

1. [ ] Yes (GO TO QUESTION 13.)

2. [ ] No (GO TO QUESTION 14.)

13. Listed below are a number of conditions which could have resulted in activities starting later than planned. For each condition, indicate to what extent each condition contributed to the delay. (CHECK ONE BOX FOR EACH CONDITION.)

CONDITION	VERY GREAT EXTENT (1)	GREAT EXTENT (2)	MODERATE EXTENT (3)	SOME EXTENT (4)	LITTLE OR NO EXTENT (5)	
1. CDBG grant delay (regular funds)						(14)
2. Emergency Jobs Act grant delay						(15)
3. CDBG grant or contract requirements (regular funds)						(16)
4. Emergency Jobs Act grant or contract requirements						(17)
5. Contract award delay (with contractors)						(18)
6. Matching fund availability						(19)
7. Preliminary design requirements						(20)
8. Inclement weather						(21)
9. State or local restrictions						(22)
10. Local political activities (e.g., by citizen groups)						(23)
11. Material and supply availabilities						(24)
12. Other (PLEASE SPECIFY.)						(25)

STOP 1

BEFORE CONTINUING TO SECTION II - EMPLOYMENT INFORMATION,
PLEASE CAREFULLY READ THE FOLLOWING INSTRUCTIONS.

We need information on the number and characteristics of people employed by activities receiving Emergency Jobs Act funds. This information should relate only to people directly employed with Emergency Jobs Act funds. For example, individuals who actually performed construction, housing rehabilitation, or provided public services and were directly supported with Emergency Jobs Act funds would be considered "directly" employed. Also, employment information should be provided only for activities which have received a firm financial commitment with Emergency Jobs Act funds. A firm financial commitment may include (1) a contract or legally binding commitment for contracted activities or (2) for government activities, an activity that had been officially authorized through a governing body action, such as an approved work order or interdepartmental agreement.

Your responses to the following questions should indicate the number of persons actually employed and be based on sources such as the Monthly Employment Utilization Report (Form CC-257) and/or Equal Employment Opportunity Commission Forms EEO-1 and EEO-4. If actual data can not be reported, indicate the number of people you estimate were employed. For example, you may use estimated data such as that furnished in the HUD Special Quarterly Status Report (HUD-7008). Also, in some instances, you may have to respond to a question with actual, estimated, and unavailable employment data. In these instances, enter actual data in the ACTUAL column, estimated data in the ESTIMATED column, and check N/A to indicate data are not available. Therefore, in these instances you may enter 3 responses to a single question.

II. EMPLOYMENT INFORMATION

14. Please review questions 16 through 19 and indicate below whether the employment information you will provide is based on: 1) Emergency Jobs Act funds alone or 2) Emergency Jobs Act and other (regular CDBG and other non-Emergency Jobs Act) funds. (CHECK ONE.) (26)

1. [ ] Emergency Jobs Act funds alone

2. [ ] Emergency Jobs Act and other funds

15. Indicate below what sources of information you will be using for your responses. (CHECK ALL THAT APPLY.) (27-32)

1. [ ] Monthly Employment Utilization Report (Form CC-257)

2. [ ] EEO-1

3. [ ] EEO-4

4. [ ] HUD Special Quarterly Status Report (HUD-7008)

5. [ ] No reports were completed

6. [ ] Other (PLEASE SPECIFY.) _____

_____

16. For each activity category, indicate the cumulative number of people employed at least one week with Emergency Jobs Act funds from the grant award date through: (A) September 30, 1983, (B) March 31, 1984, (C) September 30, 1984, and (D) March 31, 1985. Indicate the appropriate number of individuals employed in the actual column (actual data), the estimated column (estimated data), or both actual and estimated columns. If no funds were awarded or expended for an activity category or no people were employed, enter a "0" for the category. If some or all requested information is not available, check the box in the N/A column. Also, if you can not provide separate information for each activity category, report the data for all categories in the total row (g. TOTAL).

From the grant award date through . . .

Number of people employed	(A) SEPT. 30, 1983			(B) MARCH 31, 1984			(C) SEPT. 30, 1984			(D) MARCH 31, 1985			
ACTIVITY CATEGORY	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	
a. Public Works and Facilities													(33-68) *10
b. Public Services													(8-43)
c. Housing Rehabilitation													(44-79)
d. Financial Assistance to Businesses for Economic Development													*11 (8-43)
e. Planning and General Administration													(44-79) *12
f. Other													(8-43)
g. TOTAL													(44-79)

17. For each activity category, indicate the cumulative number of full-time equivalent weeks (FTE's) people were employed with Emergency Jobs Act funds from the grant award date through: (A) September 30, 1983, (B) March 31, 1984, (C) September 30, 1984, and (D) March 31, 1985. An FTE week equates to a work week of 37 to 40 hours duration.

Number of FTE weeks people were employed	From the grant award date through . . . (A) SEPT. 30, 1983			(B) MARCH 31, 1984			(C) SEPT. 30, 1984			(D) MARCH 31, 1985			
ACTIVITY CATEGORY	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	ACTUAL	ESTI-MATED	N/A	
a. Public Works and Facilities													*13 (8-59) *14
b. Public Services													(8-59) *15
c. Housing Rehabilitation													(8-59)
d. Financial Assistance to Businesses for Economic Development													*16 (8-59)
e. Planning and General Administration													*17 (8-59) *18
f. Other													(8-59)
g. TOTAL													*19 (8-59)

18. Indicate the cumulative number of permanent jobs that have or will be created through "Financial Assistance to Businesses for Economic Development" from the grant award date through: (A) September 30, 1983, (B) March 31, 1984, (C) September 30, 1984, and (D) March 31, 1985.

Number of permanent jobs created from the grant award date through . . .	ACTUAL	ESTIMATED	N/A	
(A) September 30, 1983				(60-68)
(B) March 31, 1984				(69-77) *20
(C) September 30, 1984				(8-16)
(D) March 31, 1985				(17-25)

Question 19 asks for information required by HUD Notice FHEO 84-2 "Civil Rights Data in the Community Development Block Grant under Public Law 98-8 (Jobs Bill)". Although certain requested information may only be required of some activities (for example, hours worked is required only of construction activities involving contractors), we would like the requested information for all activities. If you can not provide the information for all activities, please respond to the question with what data are available. Also, if actual data are not available, please provide estimated data and/or enter a check in the N/A column.

19. We are interested in the following employment data for all activity categories. Please provide cumulative information from the grant award date through: (A) March 31, 1984 and (B) September 30, 1984.

From the grant award date through . . .

For all Activities	(A) MARCH 31, 1984			(B) SEPTEMBER 30, 1984			
	ACTUAL	ESTIMATED	N/A	ACTUAL	ESTIMATED	N/A	
1. Indicate how many people have been employed on Emergency Jobs Act funded activities during each time period specified.							(26-43)
2. Indicate how many of those identified in (1) were full-time employees.							(44-61)
3. Indicate how many of those identified in (1) were other than full-time employees.							(62-79)
4a. Indicate how many of those identified in (1) were:	******** ********	********* *********	***** *****	******** ********	********* *********	***** *****	*21
Caucasian (not Hispanic)							(8-25)
Black (not Hispanic)							(26-43)
Hispanic							(44-61)
Asian or Pacific							(62-79)
American Indian/Alaska Native							*22 (8-25)
Other							(26-43)

(Continued on next page.)

19. (Continued)

From the grant award date through . . .

For all Activities	(A) MARCH 31, 1984 ACTUAL	(A) ESTIMATED	(A) N/A	(B) SEPTEMBER 30, 1984 ACTUAL	(B) ESTIMATED	(B) N/A	
4b. Indicate the total hours worked by all individuals within each of the following ethnic/racial backgrounds:	******** ******** ********	********** ********** **********	***** ***** *****	******** ******** ********	********** ********** **********	***** ***** *****	
Caucasian (not Hispanic)							(44-73) *23
Black (not Hispanic)							(8-37)
Hispanic							(38-67) *24
Asian or Pacific							(8-37)
American Indian/Alaska Native							(38-67) *25
Other							(8-37)
5a. Indicate how many of those identified in (1) were:	******** ********	********** **********	***** *****	******** ********	********** **********	***** *****	
Male							(38-55)
Female							(56-73)
5b. Indicate the total hours worked by all males and females	******** ********	********** **********	***** *****	******** ********	********** **********	***** *****	*26
Males							(8-37)
Females							(38-67) *27
6. Indicate how many of those identified in (1) were previously on the payroll for a CDBG funded activity							(8-25)
7a. Indicate how many of those identified in (1) were newly hired for an activity							(26-43)
7b. Of those newly hired, indicate how many were:	******** ********	********** **********	***** *****	******** ********	********** **********	***** *****	
Unemployed prior to being hired							(44-61)
Employed prior to being hired							(62-79)

(Continued on next page.)

13

19. (Continued)

From the grant award date through . . .

For all Activities	(A) MARCH 31, 1984 ACTUAL	(A) ESTIMATED	(A) N/A	(B) SEPTEMBER 30, 1984 ACTUAL	(B) ESTIMATED	(B) N/A	
B. Indicate how many of those identified in (1) had jobs in each of the following job categories:	******** ******** ********	********** ********** **********	***** ***** *****	******** ******** ********	********** ********** **********	***** ***** *****	*28
Official (Manager, Administrator)							(8-25)
Professional (Accountant, Engineer)							(26-43)
Technical (Technician, Paraprofessional)							(44-61)
Salesworker							(62-79) *29
Clerical or Office Worker							(8-25)
Skilled Craftsman (Foreman, Tradesman)							(26-43)
Equipment or Machine Operator (Semi-skilled)							(44-61)
Laborer (Unskilled)							(62-79) *30
Service Worker							(8-25)
Other							(26-43)

20. Did you respond to any parts of questions 16 through 19 using estimated information? (CHECK ONE.) (44)

1. [ ] Yes (GO TO QUESTION 21.)

2. [ ] No (GO TO QUESTION 22.)

21. Listed below are reasons why you may have provided estimates for some or all of the parts of questions 16 through 19. For each one listed below, indicate whether or not the reason applies to: (A) questions 16 through 18 and (B) question 19.

REASON FOR ESTIMATED DATA	A: QUESTIONS 16-18 (CHECK ONE.) YES	A: QUESTIONS 16-18 (CHECK ONE.) NO	B: QUESTION 19 (CHECK ONE.) YES	B: QUESTION 19 (CHECK ONE.) NO	
1. HUD only required estimated data for its Special Quarterly Status Report (HUD-7008).					(45-46)
2. We have not completed our supplemental Grantee Performance Report (regarding employment data) that concerns the quarterly periods asked for in this survey.					(47-48)
3. We were not aware of requirements to maintain certain employment data.					(49-50)
4. We were not aware of requirements to maintain certain kinds of employment data requested in this survey.					(51-52)
5. Developing employment information would be burdensome.					(53-54)
6. Other (PLEASE SPECIFY.)					(55-56)

22. Did you respond to any parts of questions 16 through 19 using N/A (not available)? (CHECK ONE.) (57)

1. [ ] Yes (GO TO QUESTION 23.)

2. [ ] No (GO TO QUESTION 24.)

23. Listed below are reasons why you may have indicated N/A (not available) for some or all of the parts of questions 16 through 19. For each one listed below, indicate whether or not the reason applies to: (A) questions 16 through 18 and (B) question 19.

REASON FOR CHECKING N/A	A QUESTIONS 16-18 (CHECK ONE.) YES	A QUESTIONS 16-18 (CHECK ONE.) NO	B QUESTION 19 (CHECK ONE.) YES	B QUESTION 19 (CHECK ONE.) NO	
1. HUD only required estimated data for its Special Quarterly Status Report (HUD-7008).					(58-59)
2. We have not completed our supplemental Grantee Performance Report (regarding employment data) that concerns the quarterly periods asked for in this survey.					(60-61)
3. We were not aware of requirements to maintain certain employment data.					(62-63)
4. We were not aware of requirements to maintain certain kinds of employment data requested in this survey.					(64-65)
5. Developing employment information would be burdensome.					(66-67)
6. Other (PLEASE SPECIFY.)					(68-69)

III. HUD PROGRAM REQUIREMENTS AND EFFORTS TO HIRE THE UNEMPLOYED

24. Listed below are instructions or memoranda that you may have received regarding the use of Emergency Jobs Act funds. For each one listed below, (A) indicate whether you received the instruction. If you received the instruction, indicate (B) whether you informed community officials receiving Emergency Jobs Act funds of (or provided them with) the instruction. By community officials, we mean officials in your agency/department or other agencies/departments that your office contacted regarding their Emergency Jobs Act grant.

INSTRUCTIONS	(A) RECEIVED INSTRUCTION (CHECK ONE.)		(B) INFORMED/PROVIDED OFFICIALS INSTRUCTION (CHECK ONE.)		
	YES	NO	YES	NO	
1. Federal Register Vol. 48, No. 98: Fund Availability Under Emergency Jobs Appropriations Bill of 1983					(70-71)
2. HUD 5/27/83 "Instructions for Entitlement Grantees CDBG 'Jobs Bill' Funds"					(72-73)
3. HUD Instructions for Completing Special Quarterly Status Reports (HUD Form 7008)					(74-75)
4. HUD Notice FHEO 84-2 "Civil Rights Data in the Community Development Block Grant Program under Public Law 98-8 (Jobs Bill)					(76-77)
5. HUD 8/23/84 memorandum to "All CDBG Jobs Program Grantees" regarding instructions clarifying the Special Quarterly Status Report reporting instructions					(78-79)
6. Other (PLEASE SPECIFY.)					*31 (1-9)

25. If you did not inform all responsible community officials about the instructions, indicate the reasons below that apply. (CHECK ALL THAT APPLY.) (10-15)

1. [ ] Instructions looked to be too difficult to implement
2. [ ] HUD did not require us to inform the official(s) of the instructions
3. [ ] Assumed the official(s) would generally take these actions on their own
4. [ ] The official(s) did not need to be informed of the instructions
5. [ ] We did not receive the instructions
6. [ ] Other (PLEASE SPECIFY.) _____

26. Listed below are a number of actions which your community could have taken in using Emergency Jobs Act funds. Indicate the extent to which each was taken. (CHECK ONE BOX FOR EACH ACTION.)

ACTION	VERY GREAT EXTENT (1)	GREAT EXTENT (2)	MODERATE EXTENT (3)	SOME EXTENT (4)	LITTLE OR NO EXTENT (5)	DON'T KNOW (6)	
1. To the extent practicable, Emergency Jobs Act funds were used to maximize the immediate creation of new employment opportunities to individuals who were unemployed at least 15 of the 26 weeks immediately preceding March 24, 1983							(16)
2. Emergency Jobs Act funds were used to hire unemployed people, regardless of length of unemployment							(17)
3. Emergency Jobs Act funds were used to hire unemployed people who were unemployed for at least 15 of the 26 weeks prior to your grant award date							(18)
4. Emergency Jobs Act funds were obligated and disbursed as rapidly as possible to quickly assist the unemployed and needy, as well as minimize future budgetary outlays							(19)
5. Emergency Jobs Act funds were used in areas (occupational type, population group, industrial category, geographic area) where unemployment was highest and had been for the longest period of time, and for authorized purposes which had the greatest immediate employment impact							(20)
6. Special attention was given to nondiscrimination requirements in providing jobs created with CDBG funds by selecting activities which provided employment opportunities to minorities and women in proportion to their presence among the unemployed in their jurisdictions							(21)
7. Other (PLEASE SPECIFY.)							(22)

27. To what extent do you believe that your community was successful in hiring the unemployed with your Emergency Jobs Act grant? (CHECK ONE.) (25)

1. [ ] Very great extent
2. [ ] Great extent
3. [ ] Moderate extent
4. [ ] Some extent
5. [ ] Little or no extent
6. [ ] Don't know

28. Please explain the reason(s) for your answer to question 27. (24)

29. Indicate below whether any of the following actions were taken in using Emergency Jobs Act funds. (CHECK ONE FOR EACH ACTION.)

ACTION	YES	NO	
1. Emergency Jobs Act funds were accounted for separately from regular CDBG funds.			(25)
2. Quarterly Status Reports (HUD-7008) and separate Grantee Performance Reports (concerning employment data) were sent to HUD.			(26)
3. Records containing information on the ethnicity, gender, and race of persons employed with Emergency Jobs Act funds were maintained and reported to HUD.			(27)

30. (1) If legislation similar to the Emergency Jobs Act were passed in the future, indicate to what extent each of the following requirements would be a burden singly or combined. (2) Indicate whether your community would apply for funds if each of the following were required singly or combined.

	(1) EXTENT OF BURDEN (CHECK ONE FOR EACH REQUIREMENT.)					(2) APPLY FOR FUNDS (CHECK ONE FOR EACH REQUIREMENT.)					
REQUIREMENT	Little or No Burden (1)	Some Burden (2)	Moderate Burden (3)	Great Burden (4)	Very Great Burden (5)	Definitely Yes (1)	Probably Yes (2)	Uncertain (3)	Probably Not (4)	Definitely Not (5)	
1. Hire the unemployed											(28-29)
2. Hire those unemployed at least 15 of the 26 weeks prior to enactment of the legislation											(30-31)
3. Prepare periodic employment reports											(32-33)
4. Meet specific start and completion dates											(34-35)

(Continued on next page.)

30. (Continued)

REQUIREMENT	(1) EXTENT OF BURDEN (CHECK ONE FOR EACH REQUIREMENT.) Little or No Burden (1)	Some Burden (2)	Moderate Burden (3)	Great Burden (4)	Very Great Burden (5)	(2) APPLY FOR FUNDS (CHECK ONE FOR EACH REQUIREMENT.) Definitely Yes (1)	Probably Yes (2)	Uncertain (3)	Probably Not (4)	Definitely Not (5)	
5. Use funds in areas (occupational types, population groups, industrial categories, and geographic areas) where unemployment is highest											(36-37)
6. Give special attention to non-discrimination requirements by selecting activities which provide employment opportunities for minorities and women											(38-39)
7. Combination of (1) through (6)											(40-41)

IV. REPORTING

31. The following table lists four federal employment reports. For each, indicate (1) whether or not you or any other community officials prepare the report. If such reports are prepared, indicate (2) the difficulty you and/or community officials experience in preparing the report and (3) the average time required to prepare the report.

	(1) Prepare (CHECK ONE.)		(2) Difficulty in preparing (CHECK ONE.)					(3) Preparation time (CHECK ONE.)				
	Yes (1)	No (2)	Very Great Extent (1)	Great Extent (2)	Moderate Extent (3)	Some Extent (4)	Little or no Extent (5)	Less than 4 hours (1)	At least 4 hours but less than 8 (2)	At least 8 hours but less than 16 (3)	16 or more hours (4)	
(1) HUD Quarterly Status Report (HUD-7008)												(42-44)
(2) Department of Labor Monthly Employment Utilization Report (Form CC-257)												(45-47)
(3) Equal Employment Opportunity Commission - EEO - 1												(48-50)
(4) Equal Employment Opportunity Commission - EEO - 4												(51-53)

32. Do you or any other community officials prepare any employment reports, in addition to those mentioned in question 31, which ask for information on the employees who were hired with Emergency Jobs Act funds? (CHECK ONE.) (54)

1. [ ] Yes (GO TO QUESTION 33.)

2. [ ] No (GO TO QUESTION 34 ON PAGE 25.)

33. In the table below provide the following information for each of the employment reports you or any community officials prepare concerning employees who worked on Emergency Jobs Act funded activities.

-- 1. Report title
-- 2. Form number (use N/A if not applicable)
-- 3. Type of agency to which the report is sent (federal, state, county, city or other)
-- 4. Frequency with which you or community officials submit this information
-- 5. Type of information required in the report
-- 6. Difficulty you or community officials experience in preparing the report
-- 7. Average time required to prepare the report

Use one column for each report

	REPORT (1)	(2)	(3)	
(1) Report title				
(2) Form number				
(3) Receiving agency (CHECK ALL THAT APPLY.)				
Federal				(55-57)
State				(58-60)
County				(61-63)
City				(64-66)
Other (SPECIFY.)				(67-69)
(4) Frequency submitted (CHECK ONE.)				
Weekly (1)				
Monthly (2)				
Quarterly (3)				
Annually (4)				
Other (SPECIFY.) (5)				(70-72)

(Continued on next page.)

33. (Continued)

	REPORT (1)	(2)	(3)	
(5) Information required (CHECK ALL THAT APPLY.)				*32
Number of employees				(8-10)
Number of hours worked				(11-13)
Ethnic/racial background				(14-16)
Gender				(17-19)
Previous employment status				(20-22)
Permanent/temporary employment status				(23-25)
Wages/Salaries				(26-28)
Job classification				(29-31)
Other (SPECIFY.)				(32-34)
(6) Difficulty in preparing (CHECK ONE.)				
Little or no (1)				
Some (2)				
Moderate (3)				
Great (4)				
Very great (5)				(35-37)
(7) Preparation time (CHECK ONE.)				
Less than 4 hours (1)				
At least 4 hours, but less than 8 hours (2)				
At least 8 hours, but less than 16 hours (3)				
16 or more hours (4)				(38-40)

V. OTHER

34. Listed below are a number of benefits which could be derived from activities receiving Emergency Jobs Act funds. Indicate to what extent these activities provided each benefit. (CHECK ONE BOX FOR EACH BENEFIT.)

BENEFIT	VERY GREAT EXTENT (1)	GREAT EXTENT (2)	MODERATE EXTENT (3)	SOME EXTENT (4)	LITTLE OR NO EXTENT (5)	DON'T KNOW (6)	
1. Productive employment for the unemployed							(41)
2. Temporary employment for the unemployed							(42)
3. Permanent employment for the unemployed							(43)
4. Services to the community							(44)
5. Infrastructure repair or improvements							(45)
6. Projects and construction of lasting value							(46)
7. Aid in the prevention or elimination of slums or blight							(47)
8. Correct urgent community needs where existing conditions pose a serious and immediate threat to health and/or welfare							(48)
9. Benefits to low and moderate income citizens							(49)
10. Other (PLEASE SPECIFY.)							(50)

35. If you have additional comments on any of the questions, the Emergency Jobs Act, or your grant, please use the remaining space provided below. Add any additional sheets if necessary. (51)

Distribution of About $5.2 Billion of Emergency Jobs Act Funds Per Unemployed by Jurisdiction

Jurisdiction	No. unemployed (March 1983)[c]	Funds of programs subject to targeting by section 101(a)[a]			Funds of programs subject to targeting by section 101(b)[b]			Total funds		
		Allocation ($000)	Funds per unemployed		Allocation ($000)	Funds per unemployed		Allocation ($000)	Funds per unemployed	
			Dollars	Rank		Dollars	Rank		Dollars	Rank
Alabama	272,369	$27,965	$103	37	$29,876	$110	32	$103,782	$381	37
Alaska	27,197	21,563	793	1	5,213	192	1	48,169	1,771	1
Arizona	144,340	48,236	334	10	18,125	126	11	162,724	1,127	4
Arkansas	120,940	51,830	429	6	12,931	107	35	93,735	775	8
California	1,325,600	136,045	103	38	168,924	127	9	508,522	384	35
Colorado	128,720	15,708	122	29	14,533	113	26	63,045	490	21
Connecticut	114,151	23,046	202	17	13,446	118	20	52,843	463	24
Delaware	27,908	5,445	195	19	2,624	94	47	12,416	445	25
District of Columbia	40,197	18,929	471	5	5,974	149	5	33,355	830	7
Florida	410,500	56,561	138	26	48,931	119	17	156,576	381	36
Georgia	222,146	36,075	162	22	21,358	96	46	105,078	473	23
Hawaii	30,785	9,132	297	12	3,664	119	18	18,056	587	12
Idaho	53,560	18,148	339	9	4,416	82	50	31,984	597	10
Illinois	706,200	55,483	79	44	92,699	131	7	212,677	301	46
Indiana	340,591	22,278	65	48	39,151	115	24	99,484	292	48
Iowa	141,734	16,205	114	33	13,839	98	45	51,030	360	38
Kansas	83,774	10,174	121	30	10,020	120	16	40,396	482	22
Kentucky	229,784	28,105	122	28	27,009	118	21	94,625	412	30
Louisiana	240,877	81,863	340	8	27,750	115	23	141,630	588	11
Maine	56,451	12,596	223	15	5,792	103	40	30,364	538	15
Maryland	178,281	54,059	303	11	18,828	106	36	97,804	549	13
Massachusetts	234,800	43,785	186	20	28,625	122	15	100,272	427	28
Michigan	718,800	65,383	91	43	81,103	113	27	207,888	289	49
Minnesota	222,809	13,348	60	51	20,467	92	49	64,274	288	50
Mississippi	151,219	71,538	473	4	15,294	101	42	140,700	930	6
Missouri	265,977	46,513	175	21	27,581	104	39	107,467	404	32
Montana	41,572	10,522	253	14	4,155	100	44	31,147	749	9
Nebraska	55,404	5,118	92	42	6,761	122	14	21,967	396	34
Nevada	56,580	4,045	71	45	5,894	104	38	27,793	491	20
New Hampshire	34,119	2,143	63	49	3,974	116	22	12,251	359	39
New Jersey	326,200	64,300	197	18	36,317	111	30	132,786	407	31
New Mexico	68,710	25,489	371	7	9,455	138	6	69,195	1,007	5
New York	789,400	80,165	102	39	100,134	127	10	272,555	345	42
North Carolina	317,525	37,347	118	31	24,635	78	51	111,931	353	40
North Dakota	23,852	12,366	518	2	3,815	160	2	27,748	1,163	3
Ohio	685,300	48,059	70	46	84,930	124	13	194,817	284	51

Jurisdiction	No. unemployed (March 1983)[c]	Funds of programs subject to targeting by section 101(a)[a]			Funds of programs subject to targeting by section 101(b)[b]			Total funds		
		Allocation ($000)	Funds per unemployed		Allocation ($000)	Funds per unemployed		Allocation ($000)	Funds per unemployed	
			Dollars	Rank		Dollars	Rank		Dollars	Rank
Oklahoma	153,627	$22,643	$147	23	$11,029	$72	52	$66,795	$435	27
Oregon	168,236	44,920	267	13	18,705	111	31	83,099	494	19
Pennsylvania	737,900	73,796	100	40	96,485	131	8	245,281	332	44
Rhode Island	46,661	5,338	114	32	7,192	154	3	20,435	438	26
South Carolina	178,349	18,547	104	35	18,587	104	37	62,476	350	41
South Dakota	22,387	11,479	513	3	2,643	118	19	30,922	1,381	2
Tennessee	282,906	36,372	129	27	31,716	112	29	118,394	418	29
Texas	656,900	74,453	113	34	66,965	102	41	219,132	334	43
Utah	75,175	7,507	100	41	7,565	101	43	37,641	501	18
Vermont	22,153	3,207	145	24	2,079	94	48	11,946	539	14
Virginia	194,201	27,715	143	25	22,133	114	25	77,600	400	33
Washington	267,524	57,913	216	16	29,220	109	34	142,665	533	16
West Virgina	158,154	10,538	67	47	17,794	113	28	47,556	301	47
Wisconsin	327,678	18,952	58	52	35,805	109	33	86,055	263	52
Wyoming	25,366	2,624	103	36	3,158	124	12	12,910	509	17
Other[d]	222,900[e]	13,840	62	50	33,185	149	4	73,255	329	45
Unallocated		69,883			7,500			137,938		
Total	**12,428,489[f]**	**$1,779,244[g]**	**$143**		**$1,450,004[g]**	**$117**		**$5,155,186[g]**	**415**	

[a]Twenty-seven programs and activities, to which about $1.67 billion was made available by the act, were required by section 101(a) to target 75 percent of their funds to substate civil jurisdictions, such as counties and cities, with high unemployment rates. These programs and activities are identified in app. I.

[b]Six programs and activities, to which $1.45 billion was made available by the act, were required by section 101(b) to target 50 percent of their funds according to the numbers of unemployed in each state. These programs and activities are identified in app. I.

[c]Provided by the Bureau of Labor Statistics.

[d]Consists of all territories.

[e]For Puerto Rico only.

[f]Because this total is the sum of the Bureau of Labor Statistics' unemployment figures for the individual jurisdictions, it is different from the Current Population Survey figures reported in ch. 1 and 2, which were derived from national, rather than local, surveys.

[g]Totals may differ from the funds listed in app. I for the 68 programs and activities because of rounding and additional funds that were made available by departments and agencies.

Source: Data are based on allocation information for 68 programs and activities reported to us by federal departments and agencies in February and March 1984. These data were reported in our April 10, 1984, letter to the chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, on the allocation of the act's funds.

Comments From the Office of Management and Budget

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 4, 1986

Mr. William J. Anderson
Assistant Comptroller General
U. S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Anderson:

This is in response to your request to the Director for comments on your draft report, "Emergency Jobs Act of 1983: Funds Spent Slowly; Few Jobs Created." Because the report arrived at the height of our work in preparing the 1988 Budget, we have not been able to review it in detail. However, we would like to note the following:

- The report's findings -- that most of the Jobs Act funds were spent after the worst of 1981-1982 recession had passed and that few jobs were created relative to the total number of unemployed -- are in line with the findings of previous studies of countercyclical job creation programs.

- We cannot support the report's recommendations, either in general or in detail, because the findings suggest that countercyclical job creation programs suffer from generic problems: they are inevitably too late and too small to have an effect on a recession.

- A logical outcome of such findings is to recommend against funding countercyclical job creation programs. We hope the final report clearly makes such a recommendation.

As a technical matter, a requirement that funds be spent "within a specified time period" -- which the report recommends -- would be difficult to enforce. Federal controls are on obligations, not expenditures, and the relationship between the two, especially for public work programs, varies by project. Generally for public works programs, there is a substantial lag between the two. Moreover, requiring that funds be spent quickly is a prescription for wasteful spending. We know of no historical evidence that countercyclical job creation programs can be executed effectively in a short period of time.

The report also recommends that Congress mandate the collection of specific data for future countercyclical job creation programs. Here we have two concerns, other than our fundamental concern about the advisability of instituting such programs. First, Congress made a conscious decision to use existing

programs for the expenditure of the funds provided by the Emergency Jobs Act of 1983. Congress appeared to have considered expedient expenditure of funds to be a primary objective and the use of existing programs to be the best way to accomplish this goal. Establishing a tracking and reporting system for the expenditure of these funds separate from the systems already in place for existing programs would have placed enormous additional burdens on the agencies administering these programs and would probably have further delayed expenditure of the funds. This result would have been inconsistent with Congress's goal of providing recession relief as soon as possible.

Second, while we agree that some data collection may be needed to ensure proper administration and evaluation of job creation programs, we do not believe that the specific information to be collected should be required by statute. Information collection requirements contained in statutes unduly restrict the agencies administering the programs. Where the economic environment or objective of a program changes, the data collection requirements of the statute may not address the new environment or objective, thereby forcing the agency to collect information that has little or no practical utility. Thus, we recommend that if future countercyclical job creation programs are proposed, the agency or agencies charged with administering the program be given the discretion to determine the appropriate data to be collected and the frequency of that collection.

We hope that these comments are useful to you and will be reflected in the published report. Should you wish to discuss this further, Ed Rea will be the OMB contact. He can be reached at 395-3172.

Sincerely,

Carey P. Modlin

Carey P. Modlin
Assistant Director
for Budget Review

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